FINANCIAL TIMES

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...WS SUMMARY

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...ple, including two ... were hurt when a ...ded at West London ... A five-minute ...d been given.
...b was in a paper ...ar a lift on the first ... Pierre Davidson and ...empston were shep-...ople away when the ... off, showering them ... None of the injured ...ly hurt.
...n IRA prisoners in ... jail threatened ... the streets" if ... not granted political ...e Irish Government ...d not be coerced and ...tain order.

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...opes to visit Peking ...long" for talks with ...Mao and Mr. Chou ... Chinese Premier. ...e £20m. Chinese art ...t the Royal Academy, ...aid Britain welcomes ...ement in relations

...a visit

...l Tanaka, Prime ... Japan, arrives to-day ... on an official visit. ... seeing the Queen, ...rade with Mr. Heath ... Ministers—and play ... at the Royal St. ...andwich, Kent, with ...am Whitelaw, the ... only single-handi-

...th Iceland

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...resident Spiro Agnew ... the Federal District ...altimore, Maryland, to ...and jury investigation ...nection with alleged ...nd corruption. He ... immune from indict-...le vice president.

...ng closer

...ded that none of the ...lic entries in a ... for a new Austra-...al anthem to replace ...the Queen was good ...So they short-listed ... favourites, Waltzing ...lvance Australia Fair ...of Australia.

... Player Classic at ... 3rd round: 1. Charles ...) 212; joint 2. Tony ... (G.B.) and Tom ... U.S.) 216; 4. Tommy ...B.) 218. Ben Wright.

... Coronation proof £5 ...ed £900 at Sotheby's.

... be a non-runner in ... Elizabeth II Stakes at ...e Wigan. Page 18.

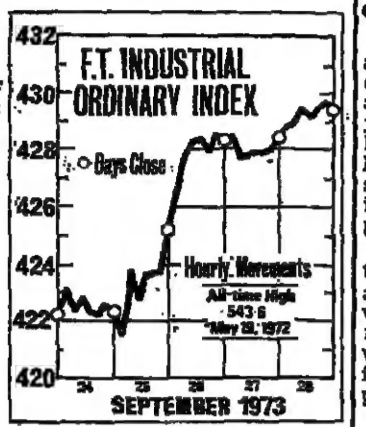
... Otto Krag, former ...emier, is to be EEC ...r to the U.S.

...en centimes Bistre ...France, 1911, sold for ... Stanley Gibbons.

BUSINESS

Equities up 7.2 on week, 8.7 on Account

● EQUITIES ended the two-week Account with the recent firmer undertone still in evidence. Trading volume increased



to 7,032 and the FT 30-Share Index put on 1.0 to 429.4, a gain on the week of 7.2, and of 8.7 on the Account. Gold mine shares were easier, however, and their index lost 3.1 to 155.8.

● FIRST DAY trading in the new short tap stock, Treasury 10½ per cent., 1976, was a little disappointing although the closing price of 98$\frac{31}{32}$ represented a $\frac{1}{32}$ premium on the issue price. Longs had general rises of ½.

● GOLD sold for $100 an ounce, a drop of $1.25.

● WALL STREET lost 6.17 to close at 947.10.

● BRITAIN'S main postal union the UPW, has decided not to join Monday's half-day strike by 70,000 white collar Post Office workers over the Pay Board report on wage anomalies. Back Page

Finance house base rate up to peak 14%

● FINANCE HOUSE base rates for some long-term commercial and industrial loans rise by 2 per cent. to a record 14 per cent. from Monday. Back Page

● MONETARY reform now depends on a stronger U.S. dollar, Dr. Johannes Witteveen, the new IMF managing director, told a Press conference at Nairobi. Back Page

● ASLEF, the train drivers' union, is keeping up pressure on British Rail for speedy new negotiations on a pay restructuring package. Page 17

● ALGERIA is reported to be cutting by 20 per cent. its estimates of the amount of oil available for export in 1974 and 1975. Page 17

● NORTH SEA oil related industry will bring at least 20,000 new jobs to Scotland within 18 months, according to the Department of Trade and Industry. Page 12

● A. KERSHAW and Sons has topped the Management Today business profitability league for the second year running. Page 12

● URUGUAY devalued by 2.15 per cent. There are now 906½ pesos to the dollar.

● CITY TAKE-OVER Panel has given special permission for the Thomas W. Ward group to buy a stake in Tunnel Cement without having to bid for the entire company. Page 17 and Lex

● SHIPPING Industrial Holdings half-year pre-tax profit is up £700,000 to £3.07m. Page 15 and Lex

● ANGLO-THAI Corporation profits expanded from £1.75m. to £3.28m. in 1972/73. Dividend is 15.57 per cent. gross (15 per cent.). Page 14

...RICE CHANGES

...pence unless otherwise indicated)

RISES

...oup	230	+ 7
...	132	+ 11
...	268	+ 6
...	130	+ 20
...	183	+ 5
...	151	+ 4
...	362	+ 8
...	185	+ 8
...	372	+ 6
...rust	310	+ 10
...ibson	303	+ 10
...iles	388	+ 15
...up	175	+ 7
...	120	+ 7
... Taylor	170	+ 15
...mber	135	+ 9
...mber	125	+ 6
...Smith	79	+ 6
Status Discount	119	+ 7
Town Centre	73	+ 7
Tube Invests.	402	+ 6
Wearwell	75	+ 9
Wigfall (Henry)	300	+ 9
Wilkinson Sword	73	+ 4
Yarrow	120	+ 8
Tricentrol	182	+ 4
Cessnock	170	+ 20
Teith Holdings	335	+ 23
West Nile	310	+ 45
London Tin	172	+ 9
Roan Cons. Mines	290	+ 20
Sabina Inds.	73	+ 10

FALLS

Aberdeen Constr.	89	− 5
Finlay (James)	415	− 13
Stanneylands	84	− 7
Buffels	950	− 40
Int. Mogul	550	− 20
Rand Selection	735	− 15
President Steyn	935	− 25
Tanganyika Con.	220	− 7

(FT stock indices and FT-Actuaries summary Page 19.)

As both sides meet in Chrysler dispute

Formula agreed to end Ford strike: return on Monday

BY PETER CARTWRIGHT AND JOHN WYLES

A peace formula was agreed yesterday to end the strike which has halted production at the Ford Motor Dagenham plant. At the same time, management and union at Chrysler U.K. were meeting for talks last night on the electricians' pay dispute.

The 2,000 strikers at Dagenham are expected to return to work on Monday following yesterday's agreement at the Ford national joint negotiating committee on how to deal with the case of Mr. Winston Williams, whose sacking for allegedly threatening a foreman led to the stoppage.

Ford negotiators have agreed to re-employ Mr. Williams in another department at Dagenham while the dispute goes before a mutually acceptable arbitrator who will probably be selected from names supplied by the Department of Employment.

Mr. Sid Harraway, secretary of the Ford national convenors' committee, welcomed the agreement as a "victory for common sense." This week more than 1,800 men have joined the 140 workers, who first struck in support of Mr. Williams 10 days ago and 8,000 others have been made idle. Ford has lost production of more than 7,000 cars.

Meanwhile, the Chrysler U.K. management, in a last-ditch attempt to avert 8,000 redundancies among 23,000 employees at its U.K. plants, last night called national and local officials of the electricians' and plumbers' trade union to a secret meeting in the hope of promoting a solution to the eight-week-old strike by 156 electricians at its Coventry factories.

This has cost the company about £25m. at retail prices in lost production.

No new proposals are expected to be made by Chrysler. "We shall be going over the ground to make certain each side knows the other's point of view and to study whether common ground can be found," a spokesman said.

This move comes within hours of the planned meeting to-day of 124 electricians at the Linwood plant in Scotland, which supplies Coventry with body panels. They have been out in support of their Midlands colleagues, but returned this week while the Coventry factories have been on holiday to allow negotiations to continue in a free atmosphere.

They are expected to decide whether to continue working during key meetings of shop stewards and workers in Coventry next week. Chrysler has said it will implement the redundancies then unless either Linwood keeps working or the strike is settled.

The strike is over a promise by management last February to pay the maximum possible under Phase Two legislation to the 156 electricians and this has been interpreted as £250 a year. On a strict £1 plus 4 per cent. accounting it amounts to £143 a year. But if the electricians are put in the wider group of grade A workers the increase would amount to £190, and this the company is prepared to pay.

The electricians says the company promised the full £250, and the Pay Board yesterday confirmed that if £1 plus 4 per cent. pay increases for the electricians were calculated on an even wider pay group, they could amount to £250.

The Chrysler reply to this is that it could not include the electricians in a wider group and pay more than £190 without attracting rival pay claims from other unions. "So we cannot pay the £250 in the circumstances without breaking the pay code," a spokesman said.

Earlier in the strike, management withdrew the promise of staff status for the electricians because of the hostility of other unions.

On Monday senior shop stewards will be meeting in Coventry. An attempt to bring them all together on Thursday failed because several were still on holiday, some of them abroad.

Economic Ministers called to Chequers

By Richard Evans, Lobby Correspondent

MR. EDWARD HEATH has called a group of senior economic Ministers to Chequers to-day to discuss the Government's Phase Three counter-inflation proposals and to prepare for the meeting with Confederation of British Industry leaders on Monday.

The Chequers meeting is seen as one of a series Ministers will be having in the coming week as the Government's preparations for Phase Three move into their final stages. The proposals will be published in a consultative document next Friday or on Monday week. They are due to come into effect on November 1.

Satisfied

To-day's meeting will enable Mr. Anthony Barber, Chancellor of the Exchequer, who returned to London last night from the International Monetary Fund meeting at Nairobi, to be brought up to date on the four-hour discussion with the TUC on Thursday. He was met at the airport by Mr. Gorden Richardson, Governor of the Bank of England.

Other Ministers expected to attend at Chequers to-day are Mr. Maurice Macmillan, Secretary for Employment, and Sir Geoffrey Howe, Minister for Trade and Consumer Affairs.

Despite the widely varying interpretations of the TUC talks, all the indications yesterday were that Ministers were well satisfied with the progress made. There was clearly a feeling of relief that the atmosphere was so cordial and that the TUC showed every willingness to continue the dialogue.

Investment

The talks on Monday with the CBI are expected to centre on the effects on industrial investment of the Price Code clauses on profit-margin control.

After the consultative document has been published the Prime Minister hopes to bring the two sides of industry together to discuss the proposals. He said on BBC radio yesterday that he had already invited the TUC to discuss the document.

"I shall invite the employers to do the same," he stated. "I hope myself that it might be possible later on for us to have a tripartite meeting together, the employers, the unions and the Government in consultation on the proposals which we put forward."

Mr. Heath added that he was optimistic about the economy. "Because I now feel the economy is expanding and we are getting to the point where a steady expansion can be continued," he declared.

Editorial Comment Page 16

Labour rows over public ownership

BY JOHN ELLIOTT, LABOUR EDITOR

BLACKPOOL, Sept. 28.

THE LABOUR Party National Executive to-day swung in favour of refusing to pay any compensation to investors when any future Labour Government renationalises businesses, such as Thomas Cook which were hived off from nationalised industries by the present Government.

This decision, described to-day by Mr. Jim Callaghan as "legalised robbery," came during a day dominated by complex and frequently bitter rows in the national executive over public ownership.

Meeting here in advance of next week's annual Labour Party conference, the executive started by snubbing Mr. Harold Wilson, the party leader, who wanted immediate talks with the "shadow" Cabinet this afternoon on nationalisation.

Instead, the executive accepted for its own discussion alone—but not necessarily for debate at the conference—a document from Mr. Wilson on the priorities for nationalisation which carefully excludes the contentious issue of taking over 25 major companies.

Official line

The decision not to compensate owners of hived-off companies is a significant policy decision for the executive, hardening and clarifying decisions taken two years ago, and is regarded here to-night as binding the official platform speaker on the line he must take when all these issues are debated here on Tuesday along with a major contribution to the conference from Mr. Wilson.

Up to now, the party's policy has been that investors in hived-off enterprises—which include businesses like Carlisle Brewery and some airway routes as well as Thomas Cook—should be compensated to the value of their original investment. But this would not be increased to compensate for inflation and would be reduced to cancel out any profits received.

To-day, Mr. Sid Weighell, of the Railwaymen, proposed to the executive that "where tangible assets have been sold off to the private sector it is quite clear that if our policy is to act as a deterrent to speculators then we should affirm that these assets, such as Thomas Cook or other hived-off undertakings, should be returned to public ownership without any form of compensation."

This was approved by 17 votes to six in the form of an amendment to a proposed policy statement on compensation which is now being sent back to the executive's home policy committee for finalisation.

There were some bitter exchanges during the debate with Mr. Callaghan making his "legalised robbery" accusation and arguing that pensioners and others with limited means would suffer unfair hardship.

The sharp snub to Mr. Wilson came at the start of the day's session when he was trying to have the issue of the nationalisation of 25 companies removed from the party's policy for next week's conference.

His tactic was to hold an immediate meeting of the executive and the "shadow" Cabinet to discuss and approve his document excluding the 25 companies issue.

He rapidly backed down, however, after executive members stressed the "sovereignty" of the party's annual conference in the making of policy decisions.

Executive members such as Left-wing MPs, Mr. Frank Allaun and Mr. Ian Mikardo with miners' leader, Mr. Joe Gormley, put this view arguing that a policy meeting with the "shadow" Cabinet should not take place until after next week's conference. This will now happen.

At one stage during the discussion Mr. Wilson threatened to withdraw his document but a considerable number of the executive members felt this could lead to an issue of the credibility of the party leadership because someone in Mr. Wilson's position should not have his ideas so brusquely treated by the executive. It was then that it was agreed the document would be discussed by the executive alone.

The problem arises from the party's "Labour Programme 1973" policy document which goes to next week's conference and proposes the creation of a National Enterprise Board saying: "for the Range of Tasks suggested, some 25 of our largest manufacturers . . . would be required very early in the life of the Board."

Some leeway

Mr. Wilson regards this document as "possibly the best Socialist document the party has produced" but, with the backing of many of his colleagues, considers the 25 companies issue as electorally damaging. He has said he could not get this through the "shadow" Cabinet or Parliamentary Labour Party.

In his own document he has a more general phrase saying that the Board "would act also as a means to a further substantial extension of public ownership through its power to take a controlling interest in relevant companies in profitable manufacturing industries."

This is sufficiently vague to give enough leeway to a future Labour Government but is not acceptable to Left-wingers.

To-day, however, although the executive spent some four hours on nationalisation, much of the

Continued on Back Page

Hong Kong "undecided" about sterling balances

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

MR. PHILIP HADDON-CAVE, the Hong Kong Financial Secretary, said yesterday that the colony had still not decided whether to accept the U.K. proposal earlier this month to extend the exchange rate guarantee on the Hong Kong London-held reserves for a further six months.

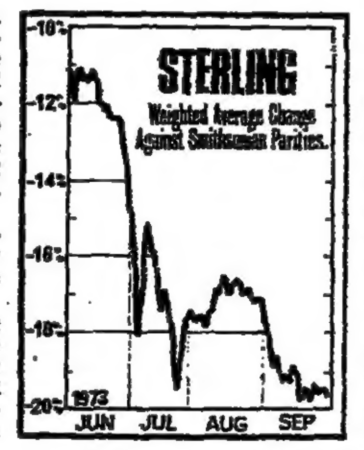
"We are still keenly interested in exchange stability and in particular sterling," he added.

Press speculation that Hong Kong would turn down the renewal agreement upset the London foreign exchange market yesterday, and at one point the pound fell to $2.4030 from an overnight close of $2.4195.

At this level sterling is thought to have received some minor support from the Bank of England, after which it recovered in a relatively quiet market to close at $2.4135.

On a trade weighted basis, however, the closing depreciation of the pound from December 1971 levels was 19.68 per cent., compared with 19.49 per cent. on Thursday and the all-time low of 19.80 reached earlier this month.

The subject of the sterling balances is a sensitive issue in Hong Kong at present, and there has been pressure within the colony to diversify the £750m. of its reserves which are held in London.



The offer

The U.K. offer on the Sterling Agreements incorporates a higher dollar guarantee for official sterling holdings (amounting in total to some £3,000m.) and improved arrangements for compensation.

This goes some way to meet previous criticism by Hong Kong of the Sterling Agreement arrangements but Hong Kong reportedly wants to reduce further the percentage (now 89 per cent.) of its total reserves in London.

When he returned to Hong Kong from the Commonwealth Finance Ministers' conference in Dar es Salaam, Mr. Haddon-Cave said the colony had "not made up its mind" about the offer but that it had a "strong interest in stability and in the market for sterling in particular." He added then: "The fact that we have not made up our minds does not disqualify us."

Yesterday's speculative report emanated from Nairobi although Mr. Haddon-Cave arrived back in Hong Kong on Monday, and there were no Hong Kong representatives at the International Monetary Fund meeting.

British Government sources maintained that on the whole the reaction to the recent renewal offer by some 60 overseas sterling area countries has been satisfactory, and recall that bargaining with Hong Kong has always been hard.

£ in New York

—	September 28	Previous
Spot	$2.4138-4139	$2.4187-4193
1 month	0.82-0.77 dis	0.85-0.80 dis
3 months	2.73-2.63 dis	2.71-2.65 dis
12 months	9.15-9.05 dis	9.15-9.05 dis

British Match-Wilkinson link

BY NICHOLAS OWEN

IMPORTANT GUIDES to the Monopolies Commission's current attitude to conglomerate mergers are expected in its report on the planned British Match take-over of Wilkinson Sword, which yesterday received Government approval after a three-month investigation.

Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, accepted the conclusion that the proposed merger "does not operate, and may not be expected to operate, against the public interest."

Eight members of the commission studied the £19m. deal, and the decision was unanimous. It was reached two weeks before the deadline set originally by Sir Geoffrey.

In a joint statement, Mr. Ian Gilbert, and Mr. Denys Randolph, respectively chairmen of British Match and Wilkinson Sword, commented: "We are pleased especially that it is a unanimous decision. We also believe this is the first verdict of its kind. We feel that this decision is a further confirmation of the economic logic of this merger."

When the offer was referred to the commission at the end of June, the City widely interpreted it as a sign of Government anxiety over mergers which lacked conspicuous industrial logic. The two companies had justified their plans in two main areas: British Match could benefit from Wilkinson's management strength, and Wilkinson could draw on the other group's financial resources.

Mr. Gilbert and Mr. Randolph were inspecting the British Match chipboard division at Weybridge, Surrey, yesterday when they heard the commission's ruling.

Mr. Gilbert said he thought that other companies had held back from announcing take-over plans after the Wilkinson inquiry was set up. The commission's report, due to be published "as soon as possible," would be studied with particular interest.

Few companies have pressed ahead with a bid once the Monopolies Commission has stepped in. A major reason for this—and a source of criticism from leading businessmen—has been the fear that the delay involved could affect normal trading.

British Match and Wilkinson agreed to keep the merger proposal alive. The mechanics of the take-over went ahead, but British Match shareholders will now have to give their approval.

Mr. Gilbert thought the main difficulty during the probe had been the amount of "valuable time" taken up with giving evidence to the commission. He added that the investigation had allowed a "period of reflection, which has confirmed to my mind the rightness of the merger."

ON OTHER PAGES

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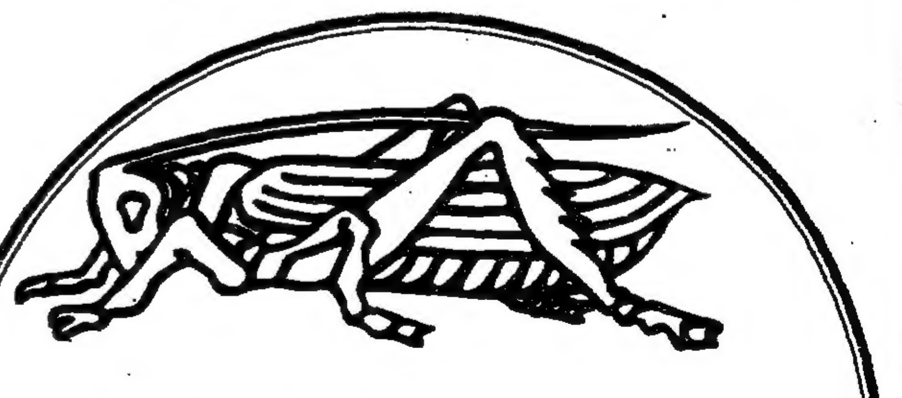

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The week in London and New York

Tide turns for the shipping sector

AVERAGE DAILY markings of well under 7,000 put the week's FT 30-Share Index gain of 7.2 points to 429.4. People may be unwilling to sell, with encouraging company results, bid speculation and an apparent turn in the trend in U.S. interest rates suggesting they might find it hard to get back in again. On the other hand, progress reports from a number of companies—GKN, Tubes and Delta Metal among them—have suggested decelerating growth rates from now on; and with the Phase Three news due in about a week's time, thoughts of tighter control on prices and more freedom for wages may be a further dampener on any short-term upward tendencies.

That, however, is unlikely to worry the takeover fans who have seen a notable speculative success in the 295p a share cash bid for Grendon Trust, as low

TOP PERFORMING SECTORS IN FOUR WEEKS TO SEPTEMBER 27	% rise
Toys and Games	10.5
Shipping	10.2
Insurance (Composite)	9.5
Insurance (Life)	9.0
Office Equipment	7.8
Electricals	7.3
All-Share Index	2.8

THE WORST PERFORMERS	% fall
Building Materials	—
Newspapers, Publishing	0.3
Motors and Distributors	1.3
Oil	1.8
Discount Houses	2.3
Tobacco	2.5

as 138p in the market earlier this year. The flurry in Bovis, up some 16 per cent. in mid-week, reminded us that a sensitive stock can be talked up as well as down: and the news in Tunnel Cement (see Lex) emphasises that a lot of talk does not make a full-scale take-over bid.

Shipping regains its buoyancy

It has been a spectacular Stock Exchange account for the shippers. Over the past fortnight our shipping index has bounced a full 16 per cent. off its 1973 low to positively storm away from the average industrial share (see our graph) despite continuing fears of a downturn in freight rates sometime in 1974. P and O's impressive 1972-73 dividend hopes and emphatic "we know where we are going" statement helped fuel the sector last week while this Wednesday it was the turn of the Houlder group, 67 per cent. owned by Furness Withy.

First-half 1973 profits at Houlder Brothers are more than double the 1972 level at £1.3m. before tax, thanks mostly to some disposed loss-makers, growth at associates and recovery in engineering. Houlder's associates are mostly in the tanker trade which is good news for Furness, up 6 per cent. to *182p this week and* heading for 1973 profits up from £5.8m. to £10½m., according to one outside estimate. But Furness still looks the most cyclical company in a sector where the larger groups are intent on ironing out the earnings fluctuations.

In this respect British and Commonwealth looks something of a trail-blazer with non-shipping activities now up to over 45 per cent. of operating profits: moreover last year's £9.5m. before tax was split fairly evenly between investment income and actual trading returns. At 276p, B and C is just 6p under its peak for the year which on one measure of relative strength is the sector's blue riband performance. But the whole business of evaluating shipping companies is fraught with problems—like tax (often nil) and depreciation rates plus asset sales. With second-hand prices for vessels going through the roof assets are becoming quite a factor in overall earnings patterns.

As for Ocean Transport and LOFs the growth message from the former hinges basically on the sheer size of its stake in containerisation. This looks like proving the main driving force behind likely profits of over £20m. pre-tax for 1973, against a forecast of well over £15m. LOFs, still very much a shipbuilder, is facing a much slower rate of profits growth for 1972-73.

Expensive gobble for turkeys

Although it has been appreciated for some time that the poultry industry has been feeling the pinch from the massive upsurge in grain prices the news from the sector this week surely hammered the point home in a big way. Bernard Matthews, the largest U.K. turkey producer reported a first half shortfall of 33 per cent. in profits. The company sold 40 per cent. more birds, pushing sales up from £2.05m. to £3.09m., but the higher feed costs—it was estimated that there had been a 70 per cent. rise since the beginning of the year—coincided with some fixed price selling, and clobbered margins.

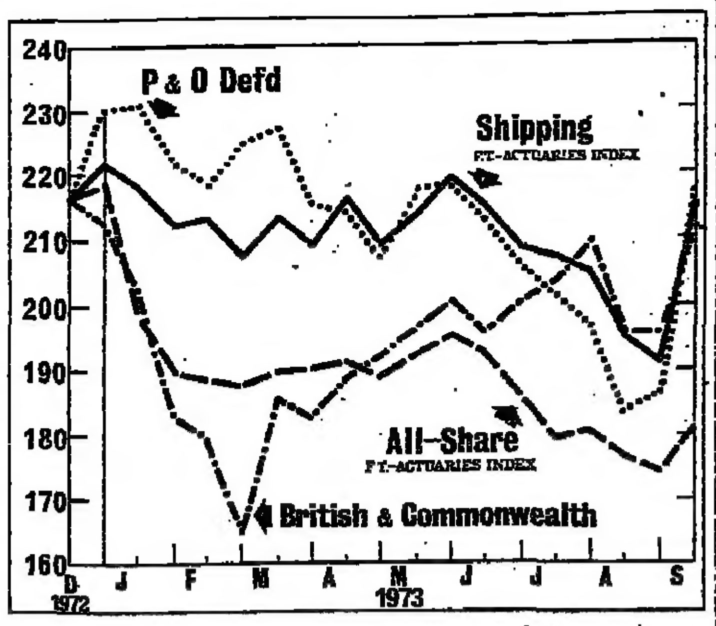
Egg prices, however, are compensating for higher production costs, thanks to the effects of the cutback by producers in the number of laying hens about a year ago when prices were uneconomical. Prices this week have risen by 1p to 2p per dozen on producers' first-hand selling prices for a rise of about a fifth since the end of August. J. B. Eastwood, the leader in the egg producing race, is currently planning to increase its laying flock from 4½m. birds to 5m.

Given the expectation in the industry that grain prices will fall—the leaders have substantially reduced their forward buying—it is easy to understand the relative strength in Eastwood's shares, down only 18 per cent. from the 1973 high against nearer 40 per cent. for Matthews. With turkey prices now up by nearly 8p per pound, Bernard Matthews on a historic p/e of 8.2 has its recovery points.

Famine and feast in housing

It's tough being a salesman on a housing site just now. Those buyers who are not already frightened off by the scare stories in the Press about mortgages tend to get a dusty answer at the building society offices. Wimpey pinpoints Sir Hubert Newton's famous "14 per cent." speech in August as marking the moment when inquiries fell sharply away.

But Mr. Derek Barnes, chairman of one of the largest housing groups Northern Developments (building around 6,000 homes this year), was



notably ebullient at the annual meeting on Monday. He repeated his forecast of a substantial profits rise, and outsiders are interpreting that as meaning £10m. pre-tax against £7m., including possibly £2m. (£1m.) from land dealing.

As for Wimpey, our largest housebuilders with 12,500 units a year for the private market, they astonished everybody on Thursday with half-time profits of £12.8m. pre-tax, and City targets now stretch up to £28m. for the year, almost double the 1972 total. Wimpey is much more than an estate developer, of course, and has achieved major gains in its U.K. and overseas contracting operations; even so, housing must have provided much of the group's momentum.

The point is that a slowdown in house sales can take a long time to be reflected in earnings, *especially for Wimpey which* is believed not to take in profits until the last house on a site is sold.

What the slowdown means for Northern Development at the moment is that it has only pre-sold three to four months' output when it normally likes to sell six months ahead. And extras like central heating are having to be cut out to keep down the price. The group's profits growth will not really be in danger unless the mortgage famine persists well into next year, but a share price of 114p (against the 187p 1973 high) and a prospective p/e of four are taking that possibility *seriously. By way of contrast* Wimpey at 116p is back near peak levels, reflecting its broad trading strength and its heavy cash and property backing.

Newsprint shortage starts to bite

The season of newspaper results is upon us. United Newspapers and Thomson Organisation both reported their interims this week, and a similar statement is due from News International next Thursday. The picture so far has been prosperous. Booming advertising has been the common denominator so that it is hardly surprising that United Newspapers, pretty well a pure newspaper group (entirely provincial), should have fared the better of the two, more than doubling its profits. Thomson has magazines, travel and so on to dilute the rise, but even so managed a 64 per cent. *rise* at pre-tax *level.*

Despite excellent results like these, most newspaper shares are bumping along on 1973 lows: the problem is the shortage of the newspapers' basic raw material, newsprint (not to mention its soaring cost—Bowater put the price up again this week). Many newspapers, especially the provincials, are cutting back the sizes of their issues, which means turning away lucrative advertising. But Thomson remains the odd man out in the sector, staying 42½ per cent. above its low on a prospective p/e of 14½, thanks to its North Sea oil stake.

Onlooker

MARKET HIGHLIGHTS FOR THE WEEK

	Y'day	Change on Week	1973 High	1973 Low	
F.T. Index	429.4	+ 7.2	509.5	404.8	Continuing firm undertone
F.T. Gold Mines Index	155.8	— 7.4	203.6	93.6	Lack of interest; gold price fall
Treasury 9½% 1999	85½	+ ½	98½	84½	Interest rate hopes
Adwest	230	+20	279	210	"Sit-in" dispute resolved
Bovis	264	+32	362	220	Bid speculation
Cater Ryder	280	+25	400	250	In sympathy with Gilts
Fisons	366	+36	485	330	Half-year results
Glaxo	372	+24	464	336	Results due October 8
Grendon Trust	310	+36	310	138	Offer from Mr. C. Selmes
Guardian Royal Exch.	231	+18	268	200	Investment demand
Law Land	166	+13½	167½	95	Bid speculation
Matthews (B.)	132	—18	212	120	Drop in interim figures
Midland Bank	365	+33	503	332	Persistent demand in thin mkt.
Northgate Exploration	250	—30	335	225	Proposed Irish mining tax changes
Oriel Foods	155	+[illegible]	165	114	Bid talks with RCA of U.S.
Selection Trust	380	+40	545	320	Interest in new OFS gold prospect
Supra Chemicals	190	+19	190	85	Scrip issue and share sub-division
Tara Exploration	595	—95	990	585	Proposed Irish mining tax changes
Whitehouse (G.)	28	+ 6	30	14	Bid of 27p a share
Wimpey (Geo.)	116	+16	118	89	Half-year results

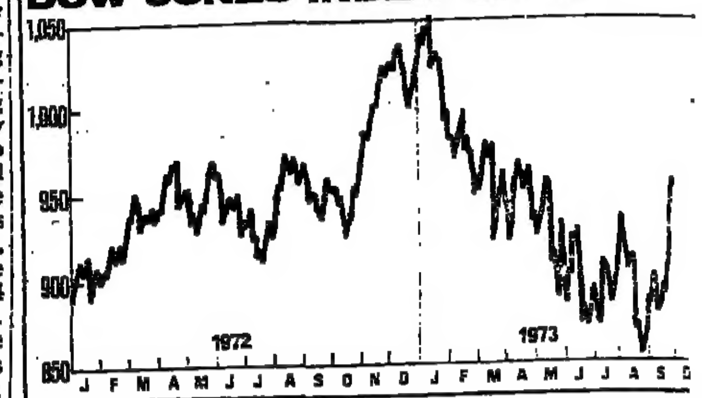
Upward surge

BY NICHOLAS COLCHESTER

AMERICAN and foreign institutional investors rushed into the New York stock market this week and so sustained the most important upward break in the indices so far this year. Volume fed on volume, confidence on confidence, and Urgency on Urgency. By Thursday night the Dow average had moved up 74 points in ten trading days and there were few money managers that could resist climbing aboard the bandwagon. On Friday, however, the Dow fell back 6.17 as profit-taking became the dominant market feature.

The continued decline in interest rates was the most important single factor in persuading the sudden rally at the end of last week to continue into this. Interest rate news came like well timed taps on a rolling hoop. On Monday night there was the weekly Treasury Bill auction that saw the three month rate drop by a full percentage point to 7.7 per cent. After hours on Wednesday Treasury Secretary Shultz said from Nairobi: "I think that interest rates are over the top." On Thursday a small St. Louis bank jumped the gun and brought its prime rate down from 10 to 9¾ per cent. to be followed on Friday by a small Detroit bank which cut its

DOW JONES INDEX Industrial average



rate by ¼ to 9½ per cent. Thursday also saw 3-month Treasuries close at 7 per cent.

The abruptness of the rise was helped by the third quarterly reports that the funds have to submit at the end of September. The need to present a good-looking portfolio meant not only that liquidity was taboo but also that there should be a progressive-looking amount of money in the cyclical stocks that have so recently caught fire at the expense of the super-growth, super-multiple brigade.

Steels, aluminiums, papers, chemicals and oils moved strongly upwards this week and the motor sector produced a good showing too.

The brokerage houses dealing with the overseas investors had a hectic week of activity. White Weld said that it had had the busiest week so far this year with the pick-up in buying from the continent being the most notable.

Up and down Wall Street the basic story was the same. New York was now indisputably the most attractive and active of the world's major stock markets and the currency fears that had been such a hindrance to foreign buying earlier this year had now evaporated, or had at least been eclipsed by the urgency of the market's rise.

It seems, interestingly, that the British fund managers have been steadier and earlier buyers of U.S. equities than their European counterparts, perhaps helped by the fact that the currency fears have been less pronounced. Last week, behind the barrier of the dollar premium, their participation in the market was relatively muted.

Wall Street has over the last five days provided a foretaste of what is to come rather than a trend. Both in the money and the stock markets the managers have been desperately twitchy to get off the blocks, to anticipate the slackening of the money squeeze before the next move after having been bottled up so long.

There has been over-reaction and, with mutual fund "window dressing" over, the next few days of trading will establish to what degree. But even if profit-taking cuts deep, the pattern is established. There is money around the world to be invested, the New York market continues to offer value by every measure of history, and when one moves towards the other after two lean years the result is most emphatic.

MINES IN THE NEWS

Unacceptable faces

BY KENNETH MARSTON

THERE has been much talk in recent times of the so-called unacceptable face of capitalism. There is also an unacceptable face of mining so far as the environmentalists and anti-pollutionists are concerned, although they continue to enjoy the benefits of mineral resources just like everybody else.

There is also an unacceptable face of Government. In fact, the behaviour of some Governments towards the mining industry in recent years might well have impressed many a landlord of Victorian melodrama. Of course a Government is entitled to secure for its people a rightful share of the benefits of its natural resources and this is recognised by the mining industry, which has accepted the principle of Government partnership.

And, be it noted, such partnerships come about only after the mining companies have gone through the high-risk and costly exploration process to establish a viable mining proposition. There are much easier ways of making money than by prospecting as rueful holders of fallen Australian exploration stocks are only too well aware.

Broken promise

Ireland was held up as a shining example of a country prepared to welcome the mining companies and to understand *their particular problems.* In an enlightened move, the country granted a 20-year exemption from tax, starting in 1967, for the mining companies, leaving them only to pay royalties on production.

This week, however, the picture has been changed with a sudden decision to end the tax holiday which had a further 14 years to run. And, as with Australia's recent removal of mining tax concessions, there was no prior consultation with the mining companies.

It is understandable that, having offered incentives to get a mining industry started, Ireland would want a larger slice of the cake from new operations such as **Tara Exploration's** rich zinc-lead discovery at Navan.

But taking away a concession which the existing companies had every reason to expect had a fixed term to run is just not playing the game. It's akin to an employer one day telling his staff that the firm had decided that it was not going to pay them pensions, after all. One can easily imagine the storm that this would arouse.

In the waiting room

Apart from Tara, shares of the companies with Irish mining interests include **Northgate, Anglo-United, Hibernian International, Silvermines** and **International Mogul**. Some of the companies have suspended dealings in their shares while others have resumed trading at much lower prices. All now face a possibly long period of uncertainty as anyone familiar with Government lethargy will know until details of the new tax arrangements are available.

Present thinking is that tax will be levied on a sliding scale reaching to an upper limit of 50 per cent. This may not work out to be particularly severe in practice and hopefully the falls in share prices could have been overdone.

This may well be the case in Tara which was generally expected to be put on a higher tax, or royalty, rating anyway. And it is possible that under the circumstances the Irish Government will now hasten the granting of the long-awaited mining licence for the company's Navan deposit. The company hopes to start formal talks with the Government on *this within the next two weeks.*

We must pay

Meanwhile, Ireland is only the latest example of governments making life more difficult for the mining companies. This is not only in higher taxation but also in the demands, both reasonable and unreasonable, of the environmentalists. Somewhere a sensible compromise will have to be found if the industry is going to meet the world's ever growing mineral needs. And the harder we make life for the mining companies the more we are going to have to pay for metal.

In Australia, **American Smelting and Refining** has bowed to the Government's nationalistic demands by a proposal to reduce its overall holding in the lead-zinc-copper producing **MIM Holdings** from 52.7 per cent. to 49 per cent. It is worth recalling that when times were hard in the past Asarco was the saviour of what to-day is one of the country's most valuable mining operations.

The shares are to be offered to Australian holders of MIM on the basis of one at $2 for every 11 held, which seems a fair price. What may not seem to be fair is that this "buy back Australia" offer cannot be extended to other shareholders. Those in the U.K. may now regard the word "equity" in share terms as being something of a misnomer

Currency hurdle

Broken Hill South has reported a further recovery in profits which amount to $3.96m. for the year to June 30 compared with the previous year's loss of $1.89m. The Australian company has thus lifted its dividend to 8 cents from 3 cents.

The revival has followed higher metal prices coupled with an end to losses at the old South mine which has been sold. For the improvement to be maintained in the current year much will depend on metal prices keeping up because BHS will have a full 12 months of the adverse effects on its earnings of Australia's currency upvaluations.

Western Mining, on the other hand, still hase to live with a relatively low nickel price which is effectively fixed by the Canada's **International Nickel**. Western Mining's annual report this week has commented on the currency difficulties and in the absence of any earnings forecast one cannot see much to go for at the moment. For the long term, however, this all-Australian company has an undoubted growth potential, notably in the energy field via uranium and coal.

Second thoughts

London's **Selection Trust** and its satellite, **Consolidated African Selection Trust**, are very much subject to Australian influences as a result of the Agnew nickel find. The latter boosted their share prices in happier days and then pulled them down again when the Australian investment picture turned sour.

But Selection Trust has another important asset in its 11.8 per cent. stake in **American Metal Climax** whose chairman, Mr. Ian MacGregor, has confirmed this week that the giant U.S. metals group is still doing very well with "an extremely strong" start to the current quarter.

Another of Selection Trust's irons in the fire is the 9.25 per cent. stake in the **Noordwinning** group, which is just completing a second successful gas well in the Dutch sector of the North Sea. Taking the view that the recent fall in the share price may have gone far enough, buyers have returned to the shares which have shown the biggest rise this week among companies capitalised at over £20m.

African gold

At the monetary talks in Nairobi, which must rank as one of the main non-events of the year, about the only really worthwhile news was South Africa's confirmation that she will probably continue selling her entire gold output on the free market this year.

Last week, in fact, the "free" sales included some gold, possibly about 2 per cent. of weekly production, which had been previously held in reserves. When this happens the mines get a bonus in the shape of the cash difference between the monetary price at which the metal was bought from them and whatever it fetches on the free market.

Union Corporation, which obtained 43 per cent. of its 1972 dividend income from gold and which is now riding the platinum boom as well, has reported half-year profits of R12.6m (£7.8m.) compared with R9.5m. a year ago when the 12 months' total reached a record R20.9m. The interim has been raised to 7 cents (4.3p) and with the expectation of an even better second half the year's total could reach 22 cents (13.5p) against 17 cents.

Because of the time-lag between rising dividends declared by the gold and diamond interests, South Africa's giant **Anglo American Corporation** is also heading for a more buoyant second-half of the year. Meanwhile, first-half earnings have expanded to R26.8m. (£16.4m.) from R22.9m. and following an increase in the interim to 6.5 cents (4p) the chances are that the total will reach 22 cents (13.5p) against 19 cents. They are happy to see their mines prosper in South Africa.

TV/Radio

BBC 1

† Indicates programme in black and white.

9.00 a.m. Barnaby the Bear visits the King of the Birds. 9.15 Help! †9.35 Golden Silents. 10.00 The Edwardian Affair. 10.25 Fact and Fiction: Lawrence of Arabia. 10.50 The Virginian. †12.05 p.m. Laurel and Hardy: "Their First Mistake." 12.25 Weekend weather.
12.30 Grandstand: 12.40 Football Preview; 1.05, 2.05, 2.35, 3.05 Golf: John Player Classic 1973 played over the Ailsa Course, Turnberry, Ayshire; 1.50, 2.20, 2.50 Racing from Ascot; 4.30 Athletics: England's Commonwealth Games Trials; 4.50 Final Score.
5.05 Who, What or Where?
5.25 News and To-day's Sport.
5.40 Wonderful World of Disney.
6.25 Bruce Forsyth and the Generation Game.
7.15 It's Lulu.
8.00 Men of Action: "The Heroes Of Telemark," starring Kirk Douglas.
10.05 News.
10.15 Match of the Day.
11.15 Parkinson.

All Regions as BBC 1 except at the following times:—

Wales—9.15-9.35 a.m. Screen Test. 5.40-5.55 p.m. Cartoon Time. 5.55-6.25 Y Garej (part 5). †12.17 a.m. News of Wales.

Scotland—4.55-5.05 p.m. Sportsreel (and 5.35-5.40). 10.15-10.45 The Corries in Concert (part 2). 10.45-11.15 Sportsreel. †12.17 a.m. Scottish News Headlines.

Northern Ireland—4.55-5.05 p.m. Scoreboard. 5.25-5.40 Northern Ireland News.

BBC 2

†8.55 a.m. Open University.
3.00 p.m. Saturday Cinema: "The Last Time I Saw Paris," starring Elizabeth Taylor, Van Johnson and Walter Pidgeon.
4.50 Film Extra: Sir Alec Guinness.
5.20 Saturday Request: The Tree That Put the Clock Back.
6.10 Man Alive.
7.00 News, sport and weather.
7.15 From Sydney: "War And Peace," Opera by Prokofiev based on Tolstoy's novel in the English version by Edward Downes: a new production by The Australian Opera, chosen for the first performance in the Sydney Opera House last night.
10.15 Jane Eyre by Charlotte Bronte.
11.05 News on 2.
11.10 Golf: John Player Classic.
†11.45 Midnight Movie: "Caught," starring James Mason.

LONDON

9.05 a.m. Cover to Cover. 9.30 Improve Your Bridge. 9.55 Joe 90. 10.20 The Amazing Chan and the Chan Clan. 10.50 Junior Police Five. 11.00 The Partridge Family. 11.35 Tarzan. 12.30 p.m. News from ITN.
12.35 World of Sport: 12.40 On the Ball: 1.05 International Sports Special (part 1): Grass Skiing; 2.00, 2.30 and 3.00 Racing from Redcar; 1.45, 2.15 and 2.45 Racing from Stratford; 3.10 International Sports Special (part 2): Skol Six-day Cycle Race; 4.00 Wrestling; 4.50 Results Service.
5.10 News from ITN.
5.20 New Faces.
6.00 Doctor in Charge.
6.30 Sale of the Century.
7.00 "Duel In The Sun," starring Jennifer Jones, Gregory Peck and Joseph Cotten.
9.30 News from ITN.
9.40 McCloud.
10.40 Who Do You Do?
11.10 Theatre of Stars.
12.00 Archbishop Roberts with Hugh Kay.
12.05 a.m. Police Surgeon.
12.30 Shirley's World.

All ITV Regions as London except at the following times:—

ANGLIA

9.55 a.m. Hammy Hamster's Adventures on the Riverbank. 10.05 The Amazing Chan and the Chan Clan. 10.30 "Press For Time," starring Norman Wisdom. 5.20 p.m. The Partridge Family. 5.50 New Faces. 7.00 Doctor in Charge. 7.30 "Yours, Mine and Ours," starring Lucille Ball and Henry Fonda. 9.40 Hawaii Five-O. 10.40 U.S. Open Tennis Tournament from Forest Hills. 11.30 Jason King. 12.25 a.m. At the End of the Day.

ATV MIDLANDS

9.15 a.m. Cover To Cover. 9.35 Improve Your Bridge. 10.05 Joe 90. 10.35 The Merrie Melodies Show. †11.00 Saturday Comedy film: "The Night We Got the Bird," starring Brian Rix and Ronald Shiner. 6.00 p.m. The Partridge Family. 7.00 Doctor in Charge. 7.30 Saturday Night Star Movie: "The Last Wagon," starring Richard Widmark. 9.15 Double Top presented by Billy Wright. 9.40 Kung Fu. 10.40 Aquarius. 11.25 Sports Special (Tennis highlights—U.S. Open).

BORDER

10.35 a.m. Woobinda—Animal Doctor. †11.05 "Tarzan's Desert Mystery," starring Johnny Weissmuller. 12.28 p.m. Cartoon Time. 6.00 The Comedians. †6.30 Border Sports Results. 6.35 Week-end Action Film: "The Hound of the Baskervilles," starring Stewart Granger. 8.00 Doctor In Charge. 8.30 The Streets of San Francisco. †9.40 Great Films of the Sixties: "The Victors," starring George Hamilton, George Peppard, Jeanne Moreau and Melina Mercouri.

CHANNEL

11.30 Film Fun with "The Incredible Mr. Limpet." 12.25 p.m. Puffin's Birthday Greetings. 6.00 The Partridge Family. 7.00 Doctor In Charge. 7.30 Saturday Film: "King of the Sun." 9.40 Hawaii Five-O. 10.40 Aquarius. 11.25 Sports Special.

GRAMPIAN

11.10 a.m. Mathman. 11.30 The Partridge Family. 11.50 The Merrie Melodies Show. 12.10 p.m. World Fishing (The Tiger Fish). 6.30 The Sky's the Limit. †7.00 Saturday Film "Spellbound," starring Ingrid Bergman and Gregory Peck. 9.00 Wait 'Till Your Father Gets Home. †10.40 Feature Film: "Gallant Journey," starring Glenn Ford.

GRANADA

9.15 a.m. Cover to Cover. 9.35 Improve Your Bridge. 10.05 Sesame Street. †11.05 "The Little Colonel," starring Shirley Temple and Lionel Barrymore. 6.30 p.m. The Paul Lynde Show. 7.00 Great Movies of the Sixties: "Barabbas," starring Anthony Quinn and Jack Palance. 9.40 Kung Fu. 10.40 U.S. Open Tennis Championships. 1.25 Midnight Mystery: "The Monk," starring George Maharis and Janet Leigh. 12.45 a.m. Spy Force.

HTV

10.00 a.m. Hammy Hamster's Adventures on the Riverbank. 10.10 Sesame Street. 11.10 Orbit. 11.35 Joe 90. 12.00 The Partridge Family. 7.00 p.m. Saturday Film: "The Hallelujah Trail," starring Burt Lancaster. 9.40 Longstreet. 10.40 Romany Jones. 11.10 The Union Man: Vic Feather. 11.55 Choirs of the World: Kantatenchoir of Athens.

SCOTTISH

9.55 a.m. Pretenders. 10.20 Fe. Film: "Charley's Big-Hearted Aunt," starring Arthur Askey. 12.00 Saturday Cavalcade with Glen Michael. 6.00 The Partridge Family. 6.30 The Sky's the Limit. 7.00 Doctor in Charge. Saturday Movie: "Alvarez Kelly," starring William Holden, Richard Widmark. 9.40 Mannix. 10.40 Aquarius. 11.25 Call. 11.30 Strange Report.

SOUTHERN

10.50 a.m. Regional Weather Forecast. 10.55 "On the Double." 7.00 p.m. Saturday Film: "Cast a Giant Shadow," starring Kirk Douglas. 9.40 Kung Fu. 10.40 U.S. Open Tennis Tournament. Southern News. 11.50 Spyforce.

TYNE TEES

9.05 a.m. Jobs Around the House. The Piano Can Be Fun. 10.00 The Merrie Melodies Show. 10.25 Arthur. Popeye. †11.05 Saturday Morning Cinema: "Tarzan's Desert Mystery," starring Johnny Weissmuller. 6.00 p.m. This House. 6.30 The Weekend Movie: "Comanche Station," starring Randolph Scott. 8.00 Doctor in Charge. 8.30 Kung Fu. †9.40 Great Films of the Sixties: "The Victors," starring George Hamilton and George Peppard. 12.25 Here We Go Again. 12.50 Lectern.

ULSTER

10.50 a.m. Yoga For Health. Sesame Street. 12.15 p.m. Grasshopper Island. 5.15 Sportscast. 5.45 The Faces. 7.00 Doctor In Charge. Saturday Night at the Movies: "But The Brave," starring Frank Sinatra and Clint Walker. 9.40 Kung Fu. The Gordon Burns Hour. 11.40 The Couple.

WESTWARD

10.25 a.m. Cover to Cover. 10.45 Joe 90. 11.10 Film Fun With "The Incredible Mr. Limpet." 12.25 p.m. Gus Honeybun's Birthdays. 6.00 The Partridge Family. 6.30 Sale of the Century. 7.00 Doctor in Charge. 7.30 Saturday Film: "Kings of the Sun," starring Yul Brynner, George Chakiris. 9.40 Hawaii Five-O. 10.40 Aquarius. 11.25 Sports Special (tennis highlights—U.S. Open). 12.00 Faith for Life.

YORKSHIRE

9.05 a.m. Jobs Around the House. The Piano can be Fun. 10.00 The Merrie Melodies Show. 10.25 Skippy. Popeye. †11.05 Saturday Morning Cinema: "Tarzan's Desert Mystery," starring Johnny Weissmuller. 6.00 p.m. The Comedians. 6.30 The Week-end Action Movie: "Comanche Station," starring Randolph Scott. 8.00 Doctor in Charge. 8.30 Kung Fu. †9.40 Great Films of the Sixties: "The Victors," starring George Hamilton, George Peppard, Jeanne Moreau, Melina Mercouri. 12.25 a.m. Here We Go Again.

RADIO 1 — 247m

(S) Stereophonic broadcast

Time checks, up-to-the-minute traffic reports and News summaries at 5.00 a.m., 5.30, 6.00, 6.30, 7.00, 7.30, 8.00, 8.30, 9.30, and every hour on the half-hour until 1.30 p.m., 2.30, 4.30, 5.30, 7.30, 9.00, 10.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.02, 7.32, 8.02, 8.32, 2.02 a.m.

5.00 a.m. As Radio 2. 8.06 Ed Stewart (S) with Junior Choice. 9.55 Stuart Henry. 12.00 The Rosko Show. 2.00 p.m. The Story of Pop (S), also on VHF. 3.00 Alan Freeman (S), also on VHF. 5.00 David Simmons (S), also on VHF. 6.30 In Concert (S), also on VHF. 7.30 As Radio 2. 10.02 Sounds of the 70s (S), also on VHF. 12.00-2.02 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

Time checks, up-to-the-minute traffic reports and News summaries at 5.00 a.m., 5.30, 6.00, 6.30, 7.00, 7.30, 8.00, 8.30, 9.30, 10.00, and every hour on the hour until 2.00 p.m., 6.00, 7.30, 9.00, 10.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.02, 7.32, 8.02, 8.32, 6.02 p.m., 2.02 a.m.

5.00 a.m. News Summary. 5.02 Bruce Wyndham with The Early Show including 8.03 Racing Bulletin. 8.06 As Radio 1. 9.55 For Younger Listeners. 10.02 Ray Moore presents groups (S). 12.15 p.m. Ray Conniff, his singers and orchestra (S). 1.02 Parsley Sidings. 1.30 Strike Up the Band (S). 2.02-5.55 Sport on 2 (1500m. only): 3.35, 3.15, 3.30, 3.45, 3.55, 4.40, 4.50, 5.40 Football League; 2.15, 2.55, 5.40 Racing: Ascot; 2.50, 3.05, 3.32 Golf: John Player Classic; 3.05, 3.32 Athletics: trials for Britain's Commonwealth Games Team; 3.05, 3.32, 5.25 Rugby Union: West Glamorgan v. Japan; 5.25 Rugby Round-up; 4.40 Sports Report. 6.03 Star Sound (1500m. only). 7.00 Let's Go Latin (1500m. only). 7.32 The Nordring Radio Prize 1973 (S). 8.15 Radio 2 Top Tunes (S). 9.02 Brass and Strings (S). 10.02 Pop Over Europe: 1500m. (202m. in Scotland). 10.45 At the Jazz Band Ball: 1500m. (202m. in Scotland). 12.00 Midnight Newsroom. 12.05 a.m. Night Ride (S). 2.00 News Summary.

RADIO 3 — 464m, Stereo & VHF

8.00 a.m. News. 8.05 Schumann and Schubert chamber music (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release: Schumann, Scriabin, Tchaikovsky (S). 11.25 Live Stereo from Sydney: Opening concert in the new concert hall of the Opera House, part 1: Wagner (S). 12.05 p.m. Listening in Luxury (talk). 12.20 Live Stereo from Sydney, part 2: Wagner. 1.00 News. 1.05 The Positive World. 1.20 Agustin Anievas piano recital: Rachmaninov, Schubert (S). 2.05 Woman of Action: Merle Park, Principal Dancer with the Royal Ballet, introduces her choice of records (S). 3.20 Matinee Musicale (S). 4.20 Jazz Record requests (S). 5.05 Music Now. 5.55 Tannhauser: opera in three acts by Richard Wagner, direct from the Royal Opera House, Covent Garden, Act 1 (S). 7.05 The Positive World. 7.25 Tannhauser, Act 2 (S). 8.35 Personal View. 8.55 Tannhauser, Act 3. (S). 9.55 Poetry Now. 10.35 Bach Recital (S). 11.10 Sounds Interesting (S). 11.55 News.

RADIO 4

6.30 a.m. News. 6.32 Farming Today. 6.50 Outlook (medium wave only). 6.55 Weather, programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Outlook. 7.50-9.00 Today. 7.50 Travel News, What's On (medium wave only). 7.55 Weather, programme news. 8.00 News and more of Today. 8.30 Sports Desk. 8.40 Today's Papers. 8.50 The primrose path from Bath to Reading. 9.00 News (medium wave only). 9.05 From Our Own Correspondent. 9.30 Talking Politics. 10.00 News. 10.02 The Weekly World. 9.05-12.00 Open University (VHF only) excluding Northern Scotland and Wales. 10.15 Daily Service (medium wave only). 10.30 Pick of the Week (medium wave only). 11.30 Announcements (medium wave only). 11.40 Sports Parade (medium wave only). 12.00 News. 12.02 p.m. You and Yours. 12.27 Forces Chance. 12.55 Weather, programme news (medium wave only). 1.00 News. 1.15 The Entertainers: Gracie Fields. 2.00 Week-end Woman's Hour (medium wave only). 2.00-5.00 Open University (VHF only) excluding Northern Scotland and Wales. 3.00 News (medium wave only). 3.05 Afternoon Theatre (medium wave only). 4.00 4th Dimension (medium wave only). 5.00 News. 5.02 Kaleidoscope. 5.55 Weather, programme news (medium wave only). 6.00 News. 6.15 Letter from America. 6.30 Sports Session. 7.00 News. 7.02 Desert Island Discs. 7.30 These You Have Loved (S). 8.30 Saturday Night Theatre. 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten our Darkness. 11.15 News.

TV Top 20

Week ending Sept. 23

1	Man about the House	Thms.
2	Van der Valk	Thms.
3	Coronation Street (Mon.)	Gran.
4	Coronation Street (Wed.)	Gran.
5	Crossroads (Tues.)	ATV
6	Singalongamax	ATV
7	Armchair Theatre	Thms.
8	Opportunity Knocks	Thms.
9	News at Ten (Wed.)	ITN
10	Reg Varney	ATV
11	Crossroads (Wed.)	ATV
	Crossroads (Thur.)	ATV
13	Generation Game	BBC
14	Helen, a Woman of Today	L/W
15	Nine o'Clock News (Thurs.)	BBC
16	World in Action	Gran.
17	Cannon	BBC
18	Casanova '73	BBC
19	News at Ten (Tues.)	ITN
20	News at Ten (Fri.)	ITN

Figures compiled by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research.

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11.3 per cent. a year over that period with income reinvested. Since their performances are apparently unaffected by cash flows, the comparison is reasonably valid.

For the period covered, the 9.1 per cent. rate of return was adequate considering inflation averaged only 4.6 per cent. But now that inflation has caught up with that progress, further gains may be necessary, hence the higher equity proportions.

Eventually, comparisons with Managed Bonds will become inevitable, so it may be worthwhile swopping notes. The main distinction lies in the much greater property profile where a rough weighted average might show fully a quarter of their portfolios in this field. A straight average of the 34 funds listed in "Money Management" shows 18.1 per cent. in property but that includes several newcomers which are adopting the interim measure of high liquidity until their property arms get off the ground. The straight average

AVERAGE PENSION FUND

end-1962	end-1972	June 1973	Turnover % 1962	Turnover % 1972
46.7	61.7	57.5	13.2	38.5
33.5	11.6	11.5	37.7	203.6
16.1	12.6	12.7	19.2	46.8
2.0	3.2	6.3	—	
1.7	0.6	0.7	—	
—	10.3	11.3	—	

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invested in equities is 45.8 per cent., about 11 points lower than P & D's pension fund. That leaves total liquidity of between 30-37 per cent. which is mainly held on deposit fetching high rates and pending better conditions in equities.

That state is rather different from the pension fund which, to an extent, matches its long term liabilities with gilts and debentures.

Managed Bonds do not have a ten-year record to compare performances so comparisons at this stage are premature. Perhaps, though, it is significant that all the bonds, bar one, with positive growth rates over the past 12 months have a high proportion of the total portfolio in property (between 18 and 58 per cent.).

M & G Plan

Finally, there are the unitised pension plans promoted by unit trust groups for the self-employed. The oustanding performer in this category has been M and G Personal Pension Fund which is up 146.4 per cent. over the past four years.

Four others (Cannon, City of Westminster, City of Westminster Property and Commercial Union Variable Annuity) have averaged 40.5 per cent. over the past two years, according to "Money Management."

These vehicles are, of course, far more visible than the private pensions for groups and there are now some 35 in the field. But, if Phillips and Drew's suggestion is implemented, private pension funds will become as visible.

To quote from P and D's Pension Fund Indicators: "We expect that the emphasis on fund performance will be further increased and in these circumstances it would be desirable if there was general uniformity in the methods used to calculate performances so that results for different funds would be directly comparable."

Income plans

Meanwhile, the unit trust industry continues to produce new income plans to match the current scene of waning unit sales and rising interest rates. Trident's High Yield Fund is the closest we've seen to the U.S.-type Bond Funds and invests primarily in gilts and convertibles but aims to have equities when conditions improve. Income is drawn on a withdrawal plan.

Target has launched an enterprising withdrawal scheme linked to its Income Fund. You choose the initial rate of withdrawal which then rises with increases in the Retail Price Index. That way your income keeps pace with inflation, albeit at the risk of depleting capital. That brings me finally to Hill Samuel High Yield, up about 5 per cent. since launch last June and worth consideration in this market. The yield is 6.2 per cent.

PERFORMANCE INDICATORS

Chip Performance Indicator†	86.16	+1.60
aries All-Share Index (adjusted)*	83.16	+1.60

lculated by taking the arithmetic mean of the price from the beginning of the year of the constituents of ncial Times 30 Share Index. The base value is 100 on r 29, 1972. This indicator illustrates the movement of retical equity portfolio initially invested in equal amounts constituent.

* Recalculated from 100 on December 29, 1972.

More than coal merchants

BY WILFRID PICKARD

INEVITABLY, as the importance of coal has declined within the U.K. economy, the distribution companies have had to look elsewhere to make up the leeway, and obtain profits growth. Fuel oil distribution was an obvious choice, with transport by road and water also figuring largely in diversification moves.

While following a fairly standard pattern of consolidating its solid fuel depots, combined with the introduction of mechanical handling, **LCP Holdings** stands in a class of its own through its emphasis on property development and construction. It is developing trading estates in the Midlands.

The major site extends over 200 acres at Pensnett, close to three motorways. Rental income should increase this year, and the 14-acre Stourbridge estate chips in for the first time.

In the engineering division, there is scope for integration of production, and although mainly supplying the motor industry, it looks capable of higher profits. Earnings have shown steady growth in recent years, up from 3.2p in 1968 to 8.1p last year. The shares on a p/e of 12.5 are good value at 85p, probably fully backed by assets on an up-to-date valuation.

Down 33 per cent. from its 1973 high point, **Powell Duffryn** looks to be undervalued at 173p yielding 5.0 per cent. with a p/e of 11. After resting on a plateau of around £4m. for some years, pre-tax profits increased by more than a third in both 1971/72 and the twelve months ended March, 1973. A further useful advance from £8.6m. to £10m. is on the cards this time round.

There are some supply problems for the engineering division. But the turnround at **Hy-Mac** (earth-moving equipment) from losses of £1.46m. to profits of £570,000 has further to go. And there is a buoyant trading background to its shipping, timber and builders' merchanting interests.

A look at clothing

THE "rag" trade has been the scene of some spectacular successes and reversals over the years. Inevitably, because of changing trends, companies making fashion garments can be "caught on the wrong foot" unless fulfilling firm orders.

The high risk element involved is behind the poor market rating for clothing companies. In the current uneasy conditions, the mark down in prices has been across the board, leaving some of the better placed concerns looking extremely attractive.

Earlier this month, **Raybeck** announced its ninth successive increase in profits. Sales rose by 15 per cent. to £28.5m., while pre-tax profits were 34 per cent. ahead at £2.45m.

Raybeck has already established a 50/50 split between manufacturing and retailing. The effort to gain an improved status by shifting the emphasis more towards retailing, should eventually pay-off. Close to a two-year low at 68p, the shares yield 4.8 per cent. with a net p/e of 9.4.

In its four years of existence, the new style **R. and J. Pullman** has set a spanking pace. For the year ended March 1970, pre-tax profits were £155,000, fuelled to £941,000 last year by internal growth and a series of take-overs. Its activities now take in leather, corduroy, women's and children's clothing.

Negotiations for further acquisitions are under way, and a determined expansion of retailing can be expected. At 129p the shares yield 4.9 per cent. with a p/e of 8, and should be an attractive counter when the market starts to move up.

Forminster is a major supplier to Littlewoods. Demand for its ladies' and children's clothing is high. With new production coming on stream, profits could top £500,000 (£381,000) this year. A good lock-away at 104p on a p/e of 11.2.

WHAT THE BROKERS SAY

"THE MARKET is not far from its low point and investors should start, selectively, to buy now." So says BENDON LANGNER AND CO. Among current recommendations, **Bunzl Pulp and Paper** is singled out for capital appreciation. Half of turnover and profits are earned abroad, principally in Europe.

Sustained growth should be seen at **Grand Metropolitan**, based on the quality of its management. Bendon states that the shares are now undervalued, following the exceptionally heavy fall in their price.

* * *

Tootal has little downside potential in the view of STIRLING AND CO. Its attractions include a yield of 6 per cent., a prospective multiple of 7.5, and earnings expansion should top 5 per cent a year.

* * *

Full integration of the Steel Group into **Acrow (Engineers)**, should eventually help the growth of earnings, although the immediate impact has been detrimental, due to the servicing cost of loans. According to PIM VAUGHAN AND CO., Acrow, with its strong export position, should benefit from the devaluation of sterling.

British scrap prices will have to rise to the same levels as in the European Steel Community over the next few years. This prospect makes **Tom Martin** attractive, even if the current high level of demand for scrap is not sustained.

* * *

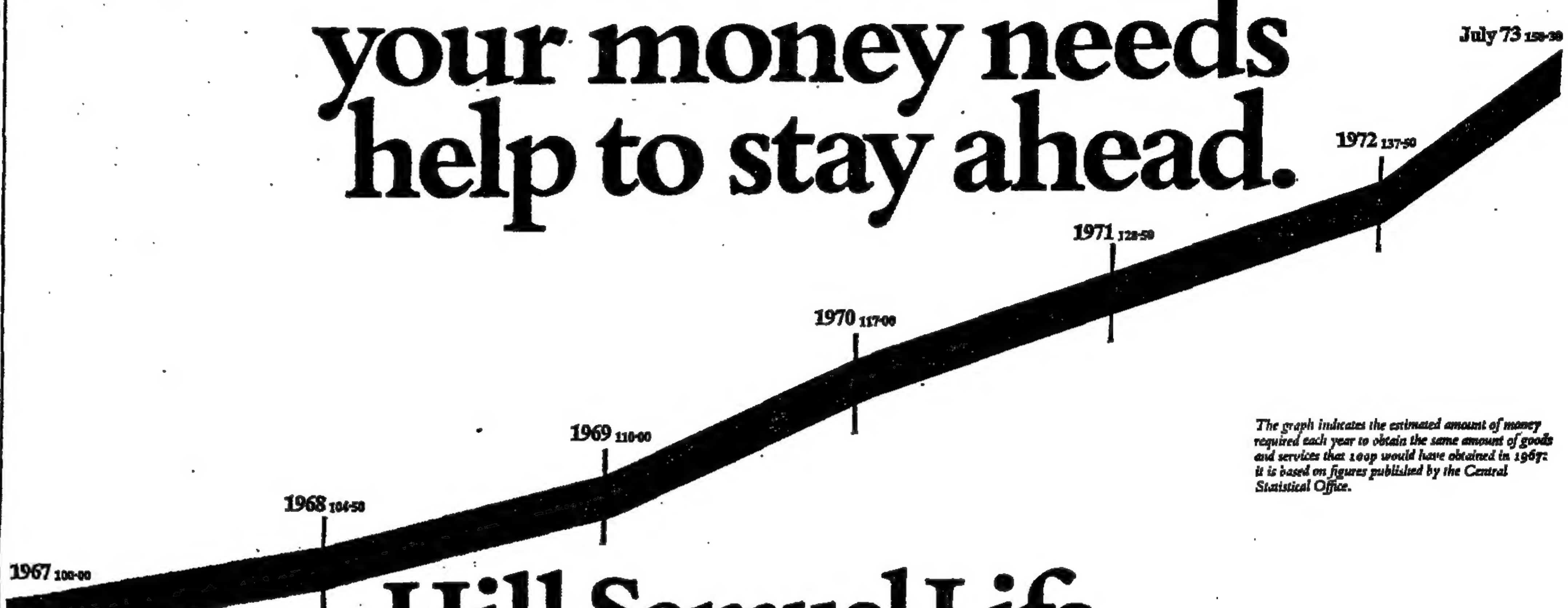
KILLIK, HALEY AND CO., considers **Raglan Property Trust** to have good potential for the medium term. In three years it has been transformed from a small residential property company into an aggressively managed developer. Numerous U.K. projects are under way, while it is purchasing a portfolio of 21 properties in Paris for £18½m. and has two developments in Amsterdam which will cost approximately £5m.

Current asset value is estimated at 64p a share, with the market price 40 per cent. below this figure. A near doubling of asset values is projected within four years.

* * *

In the opinion of JOSEPH SEBAG AND CO., the shares in **Combined English Stores** could "sustain nearly twice the current rating in a bull market." There is scope for further rationalisation in addition to economies of scale and strong organic growth.

With inflation your money needs help to stay ahead.



The graph indicates the estimated amount of money required each year to obtain the same amount of goods and services that 100p would have obtained in 1967. It is based on figures published by the Central Statistical Office.

Hill Samuel Life offer Fortune Managed Bonds.

A sound investment policy

A sound investment policy depends on making your money grow at a rate which more than offsets the inevitable erosion of its purchasing power by inflation. This is the key objective of the Hill Samuel Managed Fund and, to achieve this objective, the Fund is distributed over three separate investment sectors:

(1) Property – through units of Hill Samuel Property Fund, which is invested in prime office, commercial and industrial properties, and in new developments selected for growth and security.

(2) Equities – through units of selected Hill Samuel Unit Trusts, which are invested in a wide variety of carefully chosen stocks and shares.

(3) Gilt-edged and other fixed interest securities.

Hill Samuel Life's investment managers keep a day-to-day watchful eye on progress in all three sectors. Their task is to adjust the emphasis of the Fund's investments so as to take full advantage of promising opportunities whenever and wherever they may arise.

Hill Samuel Life's Resources Backing your investment is the Company's life and annuity fund, which now exceeds £175 million. The Company is part of the Hill Samuel Group, one of Britain's major financial institutions.

A cash guarantee

Hill Samuel Life provides investors in Fortune Managed Bonds with a unique safeguard. While, as with any other investment, the value of units in the Fund can go down as well as up, we are so confident of growth that we actually *guarantee* security:

The cash value of your Fortune Managed Bond will be at least 150% of your initial investment after you have held it for 10 years, and at least 225% after 20 years: provided you have not used the Regular Withdrawal Plan or the Liquidity Option. These are *minimum* guarantees, written into the Bond. In practice, it is confidently expected that they will be handsomely exceeded.

Regular Withdrawal Plan Provided you invest £1,000 or more, you are free to draw in cash any amount you choose once a year. If what you withdraw does not exceed the net growth in the value of your units, the Bond will still grow in value.

Regular withdrawals can be made half-yearly for an investment of at least £2,000, quarterly for £4,000, and monthly for £12,000. These payments are not liable to tax at the basic rate (30%) and capital gains tax. A higher rate tax liability may arise, however. See 'Your personal tax position', below.

Additional facts and advantages of investment in Fortune Managed Bonds

Checking up on your Bond's value is simple at any time. Each week, the value of the Fund is recalculated and the resulting offer and bid prices are published in leading daily and Sunday newspapers. (Prices take effect from the first working day of each week).

To calculate the cash value of your Bond, all you do is multiply the bid price by the number of units shown in your policy.

In addition, as a Fortune Managed Bondholder, you will receive an annual report which includes fully detailed information about the progress of the Fund and its investments.

Cashing in your Bond is simple, too. No matter how much money you invest in a Fortune Managed Bond, immediate payment can be made at the current *bid* price, whenever you choose to cash it in. Providing you have held your Bond *for long enough*, the cash guarantee (see above) applies. However, it is a condition of the guarantee that you should not have used either the Regular Withdrawal Plan or the Liquidity Option (see below) during the life of your Bond.

Liquidity Option If your investment is at least £2,000, you may, after 12 months, switch part or all of it once a year into a cash deposit. This deposit attracts no interest and you may borrow against it, up to 15% of the value of your Bond each year, without paying interest. Or you may use it to secure units in the Hill Samuel Property Fund or one of a selection of Hill Samuel Unit Trusts – at the *bid* price. (Full details on request).

Loans You can borrow on your Bond up to 75% of its realisable value (minimum £100). Interest is charged on any loans you take, but loans are not normally available if you are already using the regular withdrawal facilities or if you have an outstanding interest free loan under the liquidity option.

Guaranteed Life Assurance is provided with your Fortune Managed Bond, *the* amount of cover depending upon your age when you buy it. On death, your estate would receive either the current cash value of your Bond or the sum assured, whichever is the greater.

Age next birthday when Bond purchased	Minimum sum assured per £1,000 premium	Age next birthday when Bond purchased	Minimum sum assured per £1,000 premium
Up to 55	£1500	63	£1200
56	£1460	64	£1180
57	£1420	65	£1160
58	£1380	66	£1120
59	£1340	67	£1080
60	£1300	68	£1040
61	£1260	69-75	£1000
62	£1220		

Women should deduct three years from age next birthday to calculate the amount of life cover. If you make withdrawals from your Bond, life cover is correspondingly reduced. Maximum age at entry: 74 for men; 77 for women.

Your Personal Tax Position

(i) Basic Rate Tax. As the Hill Samuel Managed Fund forms part of a life assurance fund, you have no personal liability. All taxes on the income of the Fund are borne by the Company, and are taken into account in the unit price.

(ii) Higher Rate Tax. You may be liable for this tax or for investment income surcharge on the profit element of your Bond when you cash it in (wholly or partly). Liability can often be reduced or eliminated if you arrange to cash in at a time when the tax would be levied at a minimum level – for example, after retirement.

(iii) Capital Gains Tax. You have no personal liability. Tax on chargeable gains is borne by the Company. The price of units is adjusted to allow for the Fund's own expected liability.

Charges The offer price includes an initial charge of 5%, represented by the excess of the offer price over the bid price. The initial charges in the underlying unit investments are reduced in respect of property units by the whole of the initial charges made within the pricing of these units and in respect of other units by discounts allowed by the unit trust managers. In addition, there is an annual charge levied weekly at the rate of ⅛% per annum for that part of the Managed Fund represented by units of authorised unit trusts or the Hill Samuel Property Fund, and ½% per annum on the balance of the fund.

Valuers' and agents' fees and other property expenses, as well as the cost of managing the properties in the Hill Samuel Property Fund portfolio, are met within the Property Fund. The property units included in the Managed Fund portfolio are, therefore, already net of these charges. Any costs involved in the purchase and sale of gilt edged or other fixed interest securities are borne directly by the Managed Fund.

Children's Gifts As the Fund's income increases, the value of the units grows. This is because, as shown in your policy, they are accumulation units, which means that all income – less tax (at the life assurance company rate) and management charges – is accumulated within the Fund. So a Fortune Managed Bond is a particularly appropriate gift for a child or young person. Special application forms for this purpose may be obtained from Hill Samuel Life or from your insurance broker.

How to Invest

Complete the Application Form and send it with your cheque to the address shown. The minimum investment is £500. The whole of the purchase money will be invested in units of the Hill Samuel Managed Fund at the offer price ruling on the date your cheque is received. As soon as your application has been accepted, Hill Samuel Life will send you the Bond policy, and this will show the number of units you have been allocated.

This Advertisement is based on Hill Samuel Life's understanding of current tax law and practice.

Application Form FT/30/9/M

To: Hill Samuel Life Assurance Limited, NLA Tower, Croydon CR9 2DR. (01-686 4355).

Surname: Mr./Mrs./Miss ....
(BLOCK CAPITALS, PLEASE)

First Name(s) ....

Address ....

....

Occupation .... Date of Birth ....

I wish to invest £ .... (minimum £500) in a Fortune Managed Bond. My cheque for this amount, payable to Hill Samuel Life Assurance Limited, is enclosed. I shall require regular withdrawals ☐ YES ☐ NO in the amount of £ .... yearly/half-yearly/quarterly/monthly. (Delete whichever is inapplicable.) If you require payment to be made direct to your bank, please state your Account No. and name and address of bank.

....

....

I am in good health and not suffering from the effect of any past illness, accident or injury.

Signature .... Date ....

(If you cannot sign the health declaration above, or if your investment is over £20,000, acceptance will be subject to a medical examination.)

Name and address of insurance broker (if any)

....

....

This offer is not open to residents of the Republic of Ireland.

Hill Samuel Life Fortune Managed Bonds.

Company Number: 667139. Registered in England. Registered Office: 34 Lowndes Street, London SW1.

Finance and the family

Purchase of a freehold

BY OUR LEGAL STAFF

Referring to your reply headed Purchase of a Freehold (July 28) what is the position of an underlessee of a house where his superior lessee has only a 3-day reversion in 70 years' time. Must this reversion be purchased?

The tenant who is the qualifying tenant under the Leasehold Reform Act 1967 (that is in your case, the sub-tenant) can purchase the freehold direct. You will deal with the freeholder, as he is the person with more than 30 years' reversion on your lease (see the First Schedule to the Act) and that reversioner must pay out the intermediate lessee for his interest, the quantification of that amount being no concern of yours.

Reimbursement and mortgages

My husband is reimbursed by my father for the mortgage payments in connection with the house in which he lives, which because of my father's age, is in my husband's name, and he receives tax relief on the mortgage. We are concerned that if we sold the house after my father's death we might be liable to capital gains tax. Can this be avoided?

In our view the house in fact belongs to your father in equity: your husband is in fact and law only a bare trustee for him. Accordingly, we think that the house will on his death form part of your father's estate and thus no liability to capital gains tax will arise. We also think it follows that your husband ought to account to your father for any tax relief on the mortgage which he obtains.

A reduction in maintenance

I expect shortly to suffer a substantial diminution in my income. How do I set about obtaining a reduction in the maintenance I pay to my former wife and what will it cost me to do so?

You make an application to the Court which ordered the maintenance for a reduction in view of the change in your circumstances. It is difficult to give any estimate of costs, since it will all depend upon the nature of the opposition (if any) to the application. Unless it is in the County Court it might come to £250.

Signature not act or deed

My wife's aunt, who is not too bright, has an idea that she may have assigned her house away, but it has been impossible to discover from the person who brought the document for signature what has happened. What ought to be done?

As you do not state how or why your wife's aunt came to sign the document we cannot advise you fully. However, she should at once write (keeping a copy) to the person who procured her signature stating that she signed without knowledge of the nature or contents of the document and without advice, and that her signature is not her act or deed.

Removal of support

The garage of my house, in which I have lived for more than 30 years, is supported by the wall of a shop which has been demolished for road widening purposes. It is now proposed to demolish the wall, which is unsightly. Can I not make the Council rebuild it?

Support which has been previously afforded to your garage roof—we assume for at least the last 20 years—by a wall belonging to somebody else has been weakened, and is probably about to be removed, not by the forces of nature (in which case you would have had no claim) but by a deliberate act of the Council. In these circumstances, the Council is bound either to provide adequate substituted support, or to pay you damages for the removal of the support. They are not bound to replace the wall: merely to afford adequate alternative support.

Speeding up a settlement

Would you say that the reason why the estate of my father, who died early in 1971, has not yet been settled is because of the degree of efficiency of the legal firm concerned? Can anything be done to speed up a settlement?

It is virtually impossible to give any firm advice as to the length of time it should take to administer an estate, as it depends upon the complications involved. If there are no complications, one year from the matter being placed in the hands of the solicitors should be more than enough. But complications do arise even in the simplest-looking estate, and the Estate Duty Office may raise requisitions which require very detailed research before they can be answered, and they may then come back again after considerable delays.

We agree that the efficiency of the legal firm concerned is important, but it is just not possible to say whether the solicitors are being efficient or dilatory without seeing their files. However, a rough check is that if you write and ask an efficient firm why there is such a long delay (after a year) they will always reply shortly and rapidly, even if the substance of their answer does not appear to a layman satisfactory. In the case of serious delay the matter can always be taken out of the hands of the firm handling it, but this usually adds to the delay in the long run. A better course is to write to the solicitors' own organisation, the Law Society, who will always look into questions of gross delay.

Maintenance and unemployment

Is there any way in which my daughter's husband can be made to pay maintenance for their child when he is not in work? He has no private means.

There is nothing further that can be done, as the deduction of maintenance is provided by statute to be from the spouse's "earnings" by an order of the court directed to his "employer." You can however inform the Department of Social Security that the maintenance is not being paid.

A cancellation charge

Last February I booked a tour aboard and paid a deposit of £10 which, according to the conditions, was forfeit if I cancelled it. I wish to do so and the agency tells me that their cancellation charge will be 30 per cent. of the total costs, though there is nothing about this in the conditions. Am I liable?

We think not, since there is no condition providing for it. But the tour operators are entitled to recover any actual loss they may have suffered as a result of the cancellation: it may not be possible to fill your place, and in such circumstances they will suffer a loss of profit which they can then recover from you. It may be that they know from experience that they will be unable to fill the place, and that the 30 per cent. of the cost is their expected profit. However, they cannot recover it just like that; they must first wait and see if the place is filled or not.

An accumulation settlement

In our reply on August 25 headed An accumulation settlement, we said if it was no longer possible in the case of an accumulation settlement set up by a parent, for a child on reaching majority, to reclaim tax deducted from income, but if it was prior to 1969. We should point out that this does not mean that claims in respect of the years up to 1968/69 can not still be made. We should further point out that, as stated in our second paragraph, while the higher rates of tax can be avoided in the case of settlements of this kind, the investment income surcharge will be payable.

A preservation order

There are some fine trees close to my house which I should like to see preserved. Can I apply for an order?

As a private individual you can not insist upon a Tree Preservation Order being made. All you can do is to bring the matter to the attention of the appropriate local authority and suggest to them that such an order should be made. Thereafter for them to decide.

Insurance and estate duty

I hold a third of the shares in a family with my wife and children holding the rest. To avoid difficulties to the company which might be caused by estate duty on my shares, I have been advised that the firm can take out an insurance on my life, that the premium would be an expense before corporation tax and that the capital sum could be passed over to my executors without aggregation with my estate. Do you agree? If not, what do you recommend?

On the assumption that the company has the necessary powers, it can undoubtedly effect an insurance on your life for its own benefit. We consider, however, that if the insurance is considered as (in effect) an assurance against the loss which the business of the company will suffer as a result of your death, the premiums would be deductible for corporation tax purposes, but not otherwise. But, if so deductible, we think that there would be a real risk that the policy moneys when received would be treated as a trading receipt.

As regards making ex gratia payments to your family (we do not like the idea of payments being made direct to the executors) within reasonable limits the company would have power to do this.

We would consider your better course of action is to persuade your wife and children to take out policies of insurance on your life out of their own moneys. There will then be no question of any estate duty being payable thereon on your death, since the policies will have throughout belonged to the persons who took them out.

No legal responsibility can be accepted by the FINANCIAL TIMES for the answers given in these columns. All inquiries will be answered by post as soon as possible. No charge is made for this service except in relation to investment matters.

Insurance

Insuring your home

BY JOHN PHILIP

LAST WEEK when I discussed some of the points the householder/policyholder should consider in fixing and then maintaining an adequate sum insured on his house, I finished up with a problem which I think bears *short repetition as our starting point this time.*

My inquirer was concerned with the proper sum for which to insure his old house which would cost £20,000 to rebuild but which would fetch only £13,000 on sale, the latter figure of course including the land value. His notion was to insure for only £13,000, on the ground that if his house was substantially damaged he would take his insurance money and move. The essence of his question was—why should he then insure for more? My reply was that he must insure for the full £20,000 because in the event of a partial loss, insurers might otherwise pay only 13/20ths of his claim.

Legal reasons

What then, are the legal reasons for this? In the British Isles the answer varies, depending on whether the policyholder is located in the United Kingdom or in the Republic of Ireland: within the United Kingdom there is a further variation depending on whether the householder insures with a company or at Lloyd's.

I will come back to this point quickly but all insurers require that the policyholder shall insure for the full value of his property; this phrase full value is still used in proposal and policy forms and can be misleading, particularly when the cost of re-building is greater than the sale value of the property. Full value in the context of insuring one's house or flat must be the cost of reconstruction, assuming total destruction.

In the U.K. the companies sell household cover on buildings against a declaration by the policyholder in his proposal form that the sum insured represents the full value of the property: but they do not include in their policies any condition of average such as they put in commercial fire insurances. However, Lloyd's underwriters do employ a condition of average in their household policies sold in the U.K., while in the Republic of Ireland all household policies, from the companies or Lloyd's, bear such a condition.

Where a policy is subject to this condition of average, the policyholder is automatically penalised for under insurance, where he has a partial loss and his sum insured is less than it should have been. The normal wording of a condition makes him his own insurer in due proportion to the extent of his under insurance. Taking our example of £13,000 worth of cover on a house which would cost £20,000 to re-build, in the event of say £1,000 worth of damage, the policyholder subject to a condition of average would have to pay 7-20ths., £350, of the bill itself.

Without the condition of average, insurers cannot automatically reduce house repair claims. However, in strict legal insurance theory they can rely upon the policyholder's declaration of full value when the sum insured is out of line with the cost of total reconstruction to get the same practical result. I should perhaps add that in practice most insurers will only rely upon the declaration of full value when there is substantial under insurance.

Little option

Take the case of the proposer who has declared the total value of his property to be £13,000 when it is really £20,000. Because of this mis-statement, if he has a claim the insurers are legally entitled to refuse to make any payment whatsoever, but rather than take this hard line, most likely they will offer to settle on the basis that the policy had been subject to average—in which case the policyholder has little option but to accept a proportion of his claim.

This is the clearest case—where the policyholder is substantially under-insured at inception: but many policyholders drift into under insurance through their failure regularly to revise their sums insured. Consider the case of the policyholder who purchased insurance for £10,000 six years ago when that sum was adequate, but has failed to alter the sum so that it is now £5,000 short of *what is required. Suppose he* has a fire which causes £2,000 damage. What now?

Here again insurers can employ precisely the same arguments. For although we talk of "renewal" of annual policies, legally each year's insurance is a separate contract and even though apparently the same terms apply at each renewal the policyholder is in law required to re-state all the material facts relevant to the further year's cover. The full value of his home is one of those material facts and if he does not revise the sum insured at renewal he must be taken as re-affirming his previous declaration of full value. So the policyholder who drifts into substantial under insurance can only expect part payment in the event of claim.

Statistically the number of houses that are totally destroyed are few indeed: the number that are partly damaged are by comparison many. Why then do insurers insist on cover against total destruction and reconstruction? Why do they not sell household insurance on a first loss basis—so that the £20,000 householder can insure for say £7,50 or even £10,000?

Because the greatest number of claims are for partial damage it follows that to provide first loss insurance generally insurers would need virtually the same amount of premium as they now obtain, perhaps just little less because they might not have to meet in full the few total destruction claims they now have to face.

First loss cover

We are almost all of us buying first loss cover on our houses and flats, by paying premium calculated at a rate per cent. of their full value. Were insurers to change the yardstick on which that rate is charged then the rate itself would have to change. It might in theory be possible for insurers to sell first loss policies say to a maximum of 50 per cent. of full value, but clearly they would require a rate in the range of 20p-25p per cent to meet the bill.

In providing cover on the fabric of our homes and flats insurers accept that they must provide new for old when paying for repairs or reconstuction. But when they sell insurance on the contents of our homes—our furniture and our possessions—they *work on rather different* principles: full value cover of contents does not without anything more involve payment new for old. Contents insurance, I will discuss next time.

CAREERS AND EDUCATION

How universities 'deny freedom to schools'

BY THORNTON PEARN

REGARDED as an industry, education would surely be a tycoon's dream of paradise. Not only would he have a turnover of thousands of millions of pounds and a complete sales monopoly, but he would be able to produce what he liked without reference to the customers—who, far from being able to opt out by refusing to buy, would be forced by law to purchase whatever product he chose to manufacture.

Up to now, education has managed to survive by the ostrich-like policy of *refusing* to see unwelcome facts. The sum total of knowledge steadily increases, but the time available for formal education remains limited; the problem is no longer to decide what is valuable, but what is the relative value, vis-a-vis something else, of any particular topic, subject or project.

Numeracy

The time has come to define our terms in relationship to the whole needs, not only of the child, but of the community. For example, a fashionable cry is for numeracy. To this slogan we are all dedicated, but—we do next to nothing about it! In fact, we teach mathematics—a very different discipline indeed. Hence we find children struggling with trigonometry who are not secure in their tables.

The truth is that fewer than one in six of our school population needs an education based on traditional academic disciplines. Our most urgent need is to develop a curriculum which will lead all our pupils to a satisfying pattern of life, with an intellectual mastery of basic skills thoroughly understood. But here—especially in the secondary schools—we meet trouble. The universities, rightly, have always insisted on academic freedom, but have achieved it for themselves at the cost of denying it to everyone else. Thus schools, limited in staff, accommodation and money, and manned by teachers already conditioned by their own education, set their sights towards their own past targets, forcing 95 per cent. of their pupils along a path designed for the remaining five. Can we wonder that we hear of truancy, violence, vandalism and above all, boredom?

Understandably, we are unwilling to lose our own empire; if we can't find scientists, then let us invent "Nuffield Science." We are short of mathematicians—what about "new" maths? Fewer candidates for Religious Education? Add a section on "human relationships." (please, no sex!) but at all costs retain the number of students, thus ensuring that we not only keep our jobs, but avoid the horrid necessity of re-training!

In brief, we are prepared to prune or graft, but never to dig up a worn-out plant by the roots and start afresh. We must consider the whole purpose of education in terms of time, demand, format and purpose. We must identify our aims in terms of the curriculum. What precisely do our young people need, not only in employable skills, but in leisure, culture and realistic life style?

Such an aim is by no means unattainable. Consider what pre-natal medical advice has done to improve the physical well-being of babies, and see how many are well fed, sensibly dressed and scrupulously clean. Good schools have done their share in preparing these young mothers—but what of the fathers? And now we begin to recognise the need for more instruction in the psychological needs of the very young—as important as physical health. But where do we get the time in our already overcrowded timetables to teach these things? Fortunately, the one overwhelmingly obvious fact in our present curricula is the astonishing amount of unessential knowledge we so sedulously teach.

Radical

What we need is clear. There must be a radical re-examination of the whole school curricula without any regard for vested interests. The only criterion must be the children's essential requirements based not merely on job prospects, but on the enrichment of their very life. We must recognise that for boys and girls leaving school at 16 it is most unlikely that they will need any especial or narrow academic expertise, except numeracy and literacy. What they will need are guidelines to life, a concentration and pattern of knowledge which will help them to live purposefully and happily—not a conglomeration of disparate facts which they will enthusiastically forget as soon as permissible.

For those who remain at school after 16, the sixth form can then be a springboard from which boys and girls—now young men and women—can dive into waters both wider and deeper. Some will need depth, and others width; it is ironic that the present discussion concerning a new examination structure is a comparatively trivial irrelevance. What matters is excitement and a sense of purpose, and above all, not so much talk of "how" we shall examine, but "what" we shall examine.

Unfortunately, the public are suckers for bits of paper. Every employer knows that by engaging someone with five O-Levels he has beaten his rival who had to be content with someone with four O-Levels and one CSE. Yet many head teachers can tell horrific stories of how O-Level results changed dramatically with a change of examiner. Even worse! All his friends know that young Jimmy has five O-Levels—but not one knows what he was taught in order to get them!

Obsessed

So, ideally, examinations at 16 should go, but since the British have an inherent (and probably healthy) distrust of all academic opinion, some kind of examination will remain. At least we are now agreed that neither "O" nor "A" level results are reliable prognostications of future success. To date, the most reliable forecast is that provided by detailed verbatim reports from all staff who know the pupil, followed by an assessment by the Head of the optimism or otherwise of the staff!

The real problem is that we are obsessed with the storage of knowledge—the accumulation of a miscellany of historically acceptable facts, when really we should recognise that all "subjects" are merely weapons for the development of qualities. Whether we teach mathematics, history, science or music we still seek to instill courage, accuracy, integrity, determination and so on. Indeed it is interesting that "child" as a mnemonic suggests courage, health (moral, physical and emotional), intelligence, love (Christian, not Hollywood) and determination. And if we develop these, have we really failed?

I sometimes look at my sixth form. There are those who clearly work with enthusiasm and enjoyment, but there are many more who go doggedly on, accepting what they often regard as arid scholarship for the financial rewards they hopefully believe it will ultimately bring. And there are the few who alternately suck in and regurgitate what they are told, in the cynical knowledge that in our present society A-Levels pay dividends.

Good teachers know what is needed by the children committed to their charge. At present they are forced into a dismal academic hypocrisy as far as the great majority of their students are concerned. This in itself is bad, but if too many of our children leave school disenchanted and disillusioned, what hope is there for the next generation? All too often we forget that children enter school pre-conditioned emotionally by the positive or negative attitudes of their parents to education. Fail now, and once more we lose the next generation. So the schools need help. It is entirely right that the universities should pursue the Holy Grail of academic excellence, but they are now accountable to the public purse, and the taxpayer may rightly ask "How are they helping my own children?" "How many are killed that one may live?"

Mr. Pearn is headmaster of the Woodroffe Comprehensive School, Lyme Regis.

SOUTHAMPTON BOAT SHOW 'BEST EVER'

With sales in excess of £3m. and more than 55,000 visitors, this year's Southampton boat show was the "best ever." This was stated by the organisers, National Boat Shows and the Ship and Boat Builders National Federation in association with the city's Chamber of Commerce.

Despite winds of 60 knots, which caused some problems earlier in the week, the show, with its 300 exhibitors, kept afloat and was visited by Sir Alec Rose.

Footwear fair attendance 5,914

ATTENDANCE at the first London International Footwear Fair at Olympia, London, September 13-17 was 5,914, including 1,207 overseas visitors.

Orders from home and overseas, in many instances, were equally divided.

British manufacturers enjoyed marked price advantages over overseas counterparts.

Chess Solutions

Solution to Position No. 39. White won by 1P—K6; Resigns. 1...PxQ; 2 BxQP, P—R3; 3 PxP and mate is forced. Or 2...Kt—B3; 3 PxKt, BxBP; 4 RxPch, K—Kt1; 5 R(1)xPch, BxR; 6 RxBch, K—R1; 7 R—R7 dble ch, K—Kt1; 8 R—R8mate. If Black declines the queen, by 1...BxP; then 2 BxPch, KxB; 3 Q—Q4ch, K—B2 (3...*B—B3*; 4 *PxBdble ch* is also hopeless); 4 B—R5 mate. 3...K—Kt3; 4 B—R5ch, K—B4; 5 R—B3ch, PxR; 6Q—B4 mate.

Solution to Problem No. 39. Q—B4. (a) 1...Kt—Kt3; 2 Q—Kt5 and mate next move. (b) 1...Kt—Q3; 2 Q—B6, K—Kt1; 3 Q—Kt7. (c) 1...Kt—K2; 2 Q—K etc. (d) 1...K—Kt3; 2 B—B7 and 3 Q—R4 mate. (e) 1...Kx 2 QxKtch, K—R2; 3 B—Kt1 ma

OVERSEAS LEGAL OFFICERS COURSE

Legal officers from 19 developing countries are attending a five month course, organised by the Overseas Development Administration with the assistance of the British Council. It opens in London on Monday, and is the 10 annual Overseas Government Legal Officers' Course.

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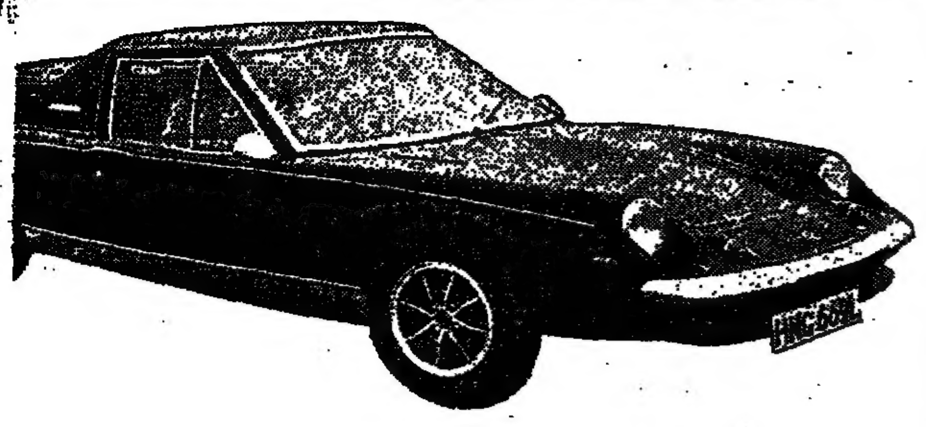
Motoring



Special Lotus

BY TONY MARTIN

TUS introduced
at Europa sports
years ago, it was
me produced mid-
ts car then avail-
reasonable price.
a Renault engine,
that I tested two
s disappointing in
s, being both noisy
Although an excit-
t required a very
tolerant driver to
s peculiar virtues.
Lotus introduced
Special," a revised
e car incorporating
sed big valve twin
coupled to a
ini five-speed gear-
e body somewhat
and with great
d to detail modi-
latest car is a real
now probably
he best two-seat
value for money
the enthusiast in
ed area.
engine producing
rsepower, and the
some 15 cwt, it is
t with acceleration
ly be matched by
twice as much. Its
around 125 mph
ed by an ability to
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7 seconds, yet at
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s consumption of

a Special also looks
Usually sold in
gold trim on the
mulating the suc-
Player Lotus Grand
It has a handsome
l stone guard under
dy sill and light-
wheels which dis-
mediately from the more mundane standard Europa.

One sits very low in the car, in unusual hammock style leather seats. Although still difficult to get into, once inside there is a good deal more leg room than before but the cockpit still fits snugly. Large or tall adults might find themselves more than a little cramped, and there is very little space for oddments, but these faults are excusable in this type of car.

SPECIFICATION

ENGINE: Centrally mounted 4 cylinder, water cooled, twin cam Big Valve version of 1558 c.c. producing 125 brake horse power.

TRANSMISSION: Renault Gordini five speed all synchronised gearbox to rear wheels.

DIMENSIONS: Length 13 feet 1 inch. Width 5 feet 5 inches. Height 3 feet 7 inches. Weight 15 cwt.

PERFORMANCE: Acceleration 0-60 m.p.h. 7 seconds. Top speed 125 m.p.h. Petrol consumption 27-32 miles per gallon.

PRICE: £2,436.

Controls are to the usual Lotus high standard; precise light steering, superb brakes and a short stub gear lever that is quick and very easy to use. The fifth gear provides a very relaxed high-speed cruising and makes the car quieter and less fussy than the older four-speed model.

Instrumentation is comprehensive, if a little old-fashioned in its emphasis on polished walnut, but this goes well with the genuine leather trim and gives the car a real air of quality. The plastic body is finished very well, but still has not quite the same feel to it as steel and one must get used to the greater panel flexing that one finds in the boot lid, doors, etc. Nonetheless its noise insulation properties are good and it does not corrode.

Luggage is accommodated in two compartments—one in the front and the other behind the engine at the rear. The latter suffers a little from warmth despite insulation, and both will only take small cases or soft bags.

The Lotus is typical of its name, having an uncanny feel on the road. Corners just disappear without notice, as the car sweeps along effortlessly within its tremendous powers of road adhesion. Both passenger and driver can enjoy exhilarating and safe motoring in the true sporting tradition. The suspension is a good compromise between firmness and yet soft enough to eliminate jar over most poor surfaces.

It is a pity that the roof is not detachable, and rearward visibility, although improved, is still rather poor. Ventilation is good but surprisingly the electric door windows do not retract fully into the doors.

The Europa now has two competitors in the mid-engined two seater sports car market, the VW-Porsche and the new Fiat X19. Both are steel bodied and perhaps a little more practical in design terms—but neither can approach the Lotus in performance or for sheer exuberance and style.

As a near perfect sports "fun" car, the Lotus Special is comparable with Porsche, Alfa Romeo and Ferrari—and is very much cheaper. It is typical of the many good British cars which have recently become even more highly competitive in value in comparison with their now over-priced foreign equivalents.

Golf

JOHN PLAYER CLASSIC

Great round by Horton

BY BEN WRIGHT

Sept. 28.

IN LATE afternoon here to-day when the weather relented from horrific to merely vile the tall Texan Charles Coody came home in 32 shots for a third round total of 70 in the John Player Classic over the Ailsa Course at Turnberry Hotel here for a total of 212, one under par, and a four stroke lead over his nearest rivals. Coody's previous rounds were 68 and 74. In joint second place came Tony Jacklin (68, 74, 74—216) and his great friend, the American-born British Open champion Tom Weiskopf (69, 75, 72—216) who are both three over par.

But the achievements of these three men in the villainous weather were completely overshadowed by the tremendous performance of British player Tommy Horton, who had easily the best round of the day, a 69 for a total of 218 to take fourth place, one stroke ahead of the little South African, Gary Player. One stroke further behind at 220 were Englishman Neil Coles, Irishman Christy O'Connor and the Australian Graham Marsh.

Late Summons

Horton was only summoned from his Sussex home by a telephone call at 10.30 p.m. on Monday. As first reserve for the John Player Classic, he came in as substitute for the American Ryder Cup player Dave Hill. Horton had not played serious golf since the Wills Open four weeks ago except to take part in one Pro-Am during the week before the Ryder Cup match. He had set his heart on playing in the Ryder Cup, and had failed miserably this year to make the team.

He had started this week's tournament on 149, seven over par after rounds of 74 and 75, eight shots behind leader Neil Coles.

The conditions were all against him. Horton confirmed that the wind was blowing just as strongly as yesterday, but to-day directly out of the west and across the course to make every hole along the shore and back again extremely difficult in the cross-winds except the ninth and 18th, where the wind was behind the players from the tee. At the 14th, 15th, and 16th and 18th holes the competitors had been moved to forward tees.

When Horton started the sun was shining fitfully, but the black clouds were soon massing again in strength behind the huge rock pile of Ailsa Craig, and at times thereafter the players were lashed by squalls, some of hail, of frightening intensity.

Between them, however, the wind started to drop at least a few points, particularly in view of the fact that it had gusted yesterday up to 110 m.p.h. to make this scene look very much like a deserted battleground at dawn. The metal frameworks of the tents, twisted and broken, made a macabre sight from the hotel windows far above the course.

Ryder Cup captain Bernard Hunt, who was in the last pair to be called in during the fantastic storms of yesterday, confirmed that he had seen a huge tent blow out to sea over the cliffs, hopefully not to haunt some poor sailor on the Firth of Clyde.

Brilliance

But back to the sheer brilliance of Horton. Some people would attempt to denigrate his performance in that he had eight single putts, more than the normally expected quota. But none of these was long, and whenever he missed the greens Horton chipped or pitched brilliantly.

He was helped a lot by playing with Brian Barnes, his near neighbour in Sussex, with whom he has never played before in a stroke-play event, but the pair have travelled together almost every week of their golfing lives.

Horton started with what he described as "my best one-iron shot" to set up a birdie from six feet. No one on earth could have reached the third green, 475 yards away in two shots, and Horton was duly 35 yards short of it after two healthy whacks with his driver. Needless to say he dropped his stroke here, and another at the 245 yards 6th hole, where he missed the green to the right.

A chance for a birdie got away at the par 5 7th hole, where Horton chipped to four feet and for once missed his putt. But he was out in 37, which still represented the best outward score of the day.

During this marvellous run Horton had only once been blown off his feet as he drove at the long 5th hole. Luckily he caught the ball solidly and although he cut it to blazes it flew 300 yards down the wind to finish on the lady's tee at the 3rd hole. Arnold Palmer was playing there at the time, and he passed Horton with a wry smile.

On the 7th tee Barnes twice tried to balance his ball on the tee unsuccessfully. Then he used his chewing gum to secure the ball in place, only to be told by Horton that this was illegal as an outside agency. The pair were so overcome with somewhat hysterical laughter they took some five minutes to recover their composure.

Horton then salvaged his par at the short 11th hole by chipping stone dead from 10 yards behind the green after a 6-iron shot. He kept on terms with another lovely little run-up shot from some 30 yards short of the 14th green that finished within a yard of the hole.

Three birdies

Then he unleased three birdies in a row that made this wonderful score. At the short 15th hole, 220 yards long, Horton saw his superb three-iron shot go all round the hole before coming out some two inches towards him. But the real drama was reserved for the 16th hole where the rain had started again with horrible violence as Horton and Barnes walked down the fairway after their drive.

It turned to hail as Horton swung at the ball with his six-iron, and the ball disappeared in this white bombardment. When Horton found it it was eight feet from the hole, but by this time the sirens had sounded to suspend play—for over half an hour, as it turned out—and Horton had to wait before holing his putt.

At the long 17th hole he wedged to five feet for his third birdie, and then after a huge drive at the 430 yards final hole played a rather disappointing stroke with his sand iron 25 feet short of the hole to finish the best round of his life with a par four.

Bridge

Mission control

BY E. P. C. COTTER

IT IS ESSENTIAL, especially when you are playing for penalties, to find the right opening lead. It is a generally accepted principle that, when a take-out double of the opener's one-bid in a suit is passed for penalties by the doubler's partner, a trump should be led. The doubler's partner is prepared for such a lead, and wants it.

In this deal from rubber Bridge West knew what was expected of him:

```
              N.
            ♠ J 6 5 3 2
            ♡ 6 5 2
            ◇ 8 7 2
            ♣ K 7
   W.                    E.
♠ A Q 9 4            ♠ K 8 7
♡ 4                  ♡ K Q J 10 7
◇ K J 9 3            ◇ 10 4
♣ Q J 10 5           ♣ 8 3 2
              S.
            ♠ 10
            ♡ A 9 8 3
            ◇ A Q 6 5
            ♣ A 9 6 4
```

East dealt at game to North-South and passed, South bid one heart, West doubled, and all passed. Obediently West led the four of hearts to the ten and Ace. The declarer led a club to dummy's King, returned a club to his Ace and ruffed a club on the table. He came to hand with a diamond to his Ace and led his last club. This was ruffed by dummy and overruffed by East, who drew South's trumps, and the defence took the rest of the tricks for a two-trick penalty of 500 points.

But see what happens if West leads off with the Queen of clubs. The declarer wins in hand and leads the ten of spades. One of the defenders wins and switches to a trump, but it is too late. South wins with the Ace, enters dummy with a club to the King to ruff a spade. Now he ruffs a club on the table and ruffs another spade in hand. He has already made six tricks, and his Ace of diamonds secures his contract, that means 60 below and 50 above instead of minus 500.

The same principle generally holds good when the doubler of a part score contract is himself on lead. In this deal from the European championships the West player ignored this principle with disastrous results:

```
              N.
            ♠ 7
            ♡ A Q 9 8 3 2
            ◇ J 10 3 2
            ♣ 5 2
   W.                    E.
♠ Q 10 4             ♠ A K J 9 6
♡ K J 7 5            ♡ 10 6 4
◇ Q 5                ◇ K 9 8 4
♣ K 9 8 6            ♣ Q
              S.
            ♠ 8 5 3 2
            ♡ —
            ◇ A 7 6
            ♣ A J 10 7 4 3
```

East dealt at love all and bid one spade. South overcalled with two clubs, West doubled, and all passed. North, be it noted, did not rescue with two hearts—to do so with two clubs in his hand would be very bad.

As West holds three of his partner's suit including two honours, his double leaves something to be desired, but this was as nothing compared to his opening lead. He began with the five of hearts. This allowed the declarer to finesse the Queen and cash the Ace, on which he discarded two spades from hand. A third heart was ruffed in hand and a low spade was led. East won and returned the Queen of clubs, but once again the trump lead was too late.

South won with the Ace, ruffed a spade in dummy, and ruffed another heart in hand. Now he cashed the Ace of diamonds and threw the lead with another diamond. West took with the Queen and played the nine of clubs. This held the declarer to eight tricks, but he still scored 180.

If West had chosen to lead the club six, as he should have done, it would have been a different story. South takes East's Queen and plays a spade, but West wins and leads the nine of clubs. This prevents any spade ruff and leaves the declarer in *Zugzwang*. All he can do is to make his Ace of diamonds and two trumps. This defence nets East-West a plus score of 500 instead of minus 180.

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CINEMAS

STAMPS BY JAMES MACKAY

Celebration issues

ONE OF THE most popular themes in philately is stamps themselves—stamps which depict other stamps or are in some way connected with stamp design. Considering that the postage stamp is a small, two-dimensional object which lends itself admirably to reproduction in this medium, it is surprising that this idea did not catch on earlier than the 1930s when certain European countries began celebrating the anniversaries of their first stamps by reproducing them on commemorative issues.

Nevertheless, the theme was slow to develop; though many countries issued stamps in 1940 to celebrate the centenary of the Penny Black, only two, Mexico and Cuba, chose the world's first adhesive stamp as the motif of the commemorative stamps. From then on, however, the practice of depicting stamps on stamps gathered momentum, as more and more countries celebrated their own postal centenaries.

In addition many countries held an annual Stamp Day and issued special stamps, many of which reproduced obsolete designs. National and international philatelic exhibitions in the postwar years have provided many opportunities for stamps in this theme. Britain's only contribution to this subject so far consists of three stamps in 1970 reproducing important Victorian stamps, and publicising the International Philatelic Exhibition, held in London in September that year.

The latest country to celebrate its philatelic centenary in this way is Iceland, which issued a set of five stamps last May. Each stamp reproduced one denomination from the series of 1873 and featured various types of postal transport for good measure.

Part of the centenary celebrations consisted of a stamp exhibition in September and two stamps marked the occasion. The designs by Gisli Björnsson departed from the usual convention of stamps on stamps, by showing stylised perforations forming abstract patterns.

In contrast is the 80 centavos stamp recently issued by Mexico which contrived to reproduce no fewer than five stamps in the one design. Brazil was host this year to a stamp exhibition sponsored by the Inter-American Philatelic Federation, the previous venues having been in Colombia, Venezuela and Peru. To mark the occasion Mexico issued a stamp reproducing stamps of the various host countries, as well as a Mexican stamp of the nineteenth century.

A century is a long time to wait before celebrating the introduction of stamps, and recently lesser anniversaries have been marked in this way. Papua New Guinea has produced a set of six stamps to commemorate the 75th anniversary and the stamps reproduced reflect the turbulent political history of this country.

The 1c stamp reproduced the original 3 and 6 pfennig stamps of Germany overprinted "Deutsch Neu-Guinea" and introduced in 1897. The 6c stamp shows the 3 marks stamp issued by the German postal administration in 1900 depicting the Kaiser's yacht *Hohenzollern*. The 7c stamp features a German registration label of Rabaul, seized by Australian troops when they invaded German New Guinea in 1914. These labels were subsequently overprinted with the royal monogram and surcharged in sterling for use as postage stamps. The 9c stamp reproduced one of the early stamps of British New Guinea, later renamed Papua, and the 25c and 30c denominations feature stamps issued by the mandated territory of New Guinea and Papua in 1925 and 1932 respectively.

St. Kitts-Nevis has capped this with a set of four stamps and a miniature sheet marking the 70th anniversary. Both St. Christopher and Nevis issued their own stamps in the nineteenth century, but from 1890 onwards these separate issues were superseded by the general series of the Leeward Islands. Distinctive stamps for the component presidencies of the Leeward Islands were reintroduced in 1903, but St. Christopher and Nevis were combined philatelically, the stamps being inscribed "St. Kitts-Nevis." The present series reproduces the four low values of the 1903 series, with West Indian scenery in the background.

At one time philatelists were content to collect stamps without bothering unduly about the background to their design and production. Nowadays the designer, so long shrouded in anonymity, is usually well publicised and this is reflected in the growing number of stamps paying tribute to designers.

Czechoslovakia has taken intense pride in her stamps, ever since Mucha designed the first issues of the republic in 1918, and much of the credit for the handsome stamps of the past 40 years is due to the late Max Svabinsky, the centenary of whose birth is being celebrated by five stamps reproducing some of his work as a painter.

Svabinsky was active as a stamp designer right up to the time of his death in 1962 and had the unique distinction of designing the stamps celebrating his 85th and 90th birthdays (the latter appearing posthumously).

Though best known as an architect and interior designer, Eliel Saarinen also designed the first stamps and banknotes of the Finnish Republic. Finland marked the centenary of his birth with a 60p stamp on August 20, reproducing a photograph of Saarinen at the drawing board.

Property and housing

Living in style

BY JOE RENNISON

IT IS a sad fact, but true, that we simply do not build houses like we used to. Take a glance at the photograph on the right of that superb mansion. What a glorious example of Victorian enthusiasm, confidence, richness and exuberance. Some might say that the builder had even gone a bit too far but you must admit that it catches the eye. Such buildings make our own efforts in these days look puny, poor and ineffective. But of course not everyone is a millionaire and the man who built that was.

It was just over a hundred years ago that Henry Huth, the son of a German banker, bought 144 acres of parkland at Bolney in Sussex. There at the head of a wide valley with magnificent views to the distant South Downs he built his country home, Wykehurst. The architect who was commissioned to design the house was Edward Middleton Barry, the son of Sir Charles Barry who built the Houses of Parliament.

Low price

Edward's work also included the building of Covent Garden Theatre, Charing Cross Station and the Temple Gardens on the Victoria Embankment. On his father's death he continued to work on the new Palace of Westminster.

The builder of Wykehurst was William Cubit who built Osborn House for Queen Victoria.

Work began in 1871 and was finished within three years. Despite its enormous size—the mansion contains 105 rooms—it was built at the seemingly incredibly low price of £35,000. It would be interesting to see how far £35,000 would stretch to-day towards a building of this kind.

The house contained all the newest techniques that the Victorians could supply. These included cavity walls (the house was one of the first examples of this kind of construction), fireproof floors of iron and concrete, an efficient hot water supply to the three floors, and all the main rooms were heated by a flow of warm air. A rare luxury for the day was that all the bedrooms, arranged in self-contained suites, had a bathroom for each suite.

This glorious palace, however, 65 years later stood empty and remained empty for the next 32 years except for a short period during the war when troops were billeted there. Now there is the chance for someone to live there again and he does not have to be a millionaire.

In 1971 Mr. James Doyle, a Brighton antique dealer, bought the estate and, together with his Horsham architect, Mr. John Warren, began the vast project of completely restoring the house. But obviously it could not be restored for single occupation.

Preliminary restoration work was quickly under way, together with planned alterations to the second-floor bedroom suites and to one suite on the first floor, to create eight self-contained flats. A separate entrance hall for the flats and a lift to all floors demanded very little change to the interior structure. The flats are now ready for occupation.

The seven second-floor flats range in price from £11,250 to £17,750 and although there is some slight variation in the number and size of the rooms, each flat mainly comprises a living room, kitchen (or kitchenette), bedroom and bathroom. The first-floor flat, which has the most extensive accommodation, is offered at £36,500 and comprises a living room (39 feet 9 inches x 19 feet) with a full-width bay of floor to ceiling windows and a balcony (from which there are superb southerly views), kitchen, dining hall, bedroom with bathroom en suite, two further bedrooms, a second bathroom and a cloakroom.

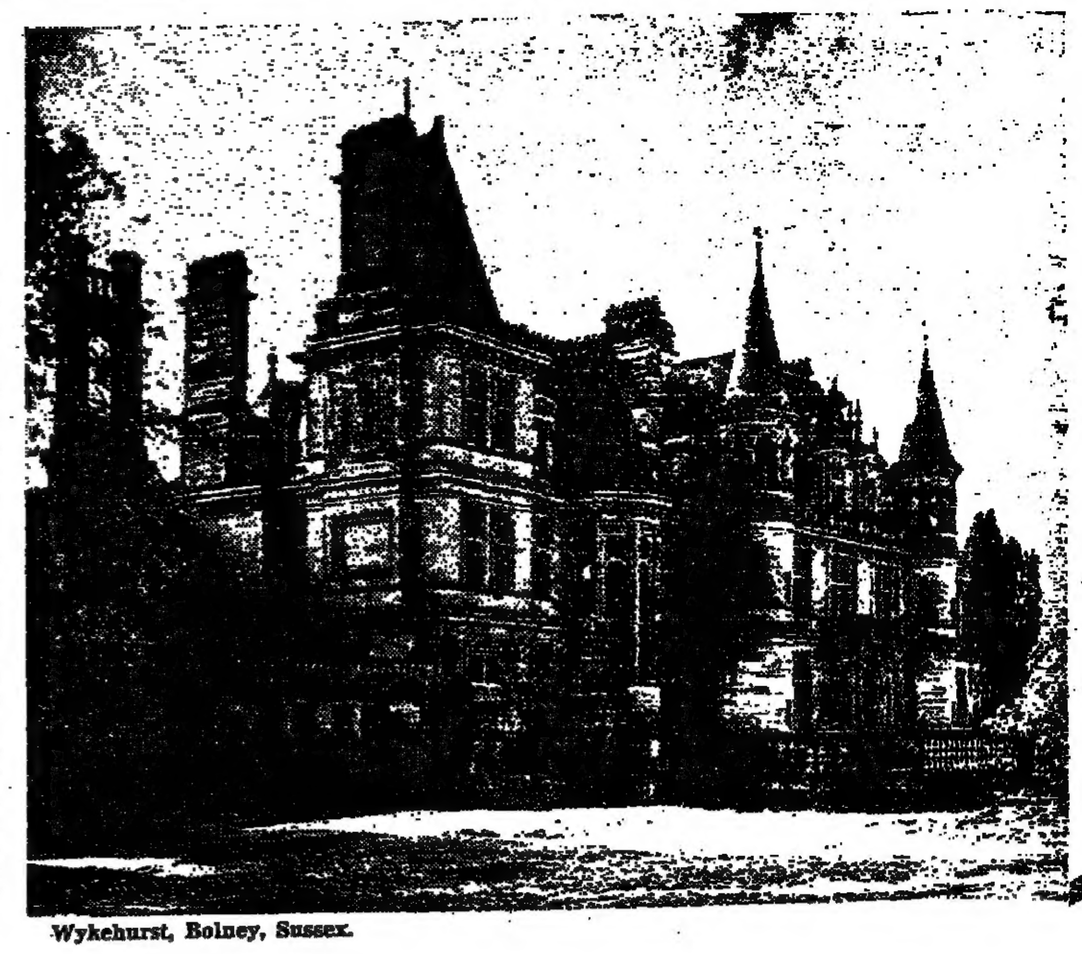
Large lawn

To the north-east of Wykehurst a large lawn will be available for the exclusive use of the flat owners. Agents are King and Chasemore, Station Road, Pulborough, Sussex.

Another large house (although not quite so large) which could be given the same sort of treatment is coming up for auction on October 11. The Royds Hall Estate is near Bradford in Yorkshire and consists of a Jacobean Manor House, a dairy farm and cottages, standing in 140 acres.

It would be first offered as one lot and, if the reserve is not reached, will be put up in two separate lots, the first being the hall, grounds and two cottages in 20 acres and the second the farm, buildings and land. The conversion of the hall and the outbuildings into a number of separate high-class flats is one planning possibility.

The house is Jacobean but probably incorporates parts of an earlier building on the site. Its gabled facade is studded with rows of mullioned and transomed windows. Inside there is a great hall, two drawing rooms and a dining room; and a minstrels gallery leads to nine bedrooms on the first floor with five bathrooms. It is listed as grade I of buildings of historical or architectural interest. The sale will take place at the Hall. Agents: Henry Spencer and Sons, 3 St. James' Row, Sheffield.



Wykehurst, Bolney, Sussex.

The West takes the strain

THE NEWS earlier this week that Sun Life Assurance is to move most of its staff from the City of London to Bristol prompted a few thoughts about what might be happening to the property market in that area.

The market generally throughout the country has sagged but local opinion has it that Bristol has probably come out of the slump rather better than other areas. It does reflect the national picture of the buyers' market with prices steady and easing back in some cases but not to the same extent as elsewhere.

This is due to the overall popularity of the City and Severnside in general. The whole area is in a mood of expansion with a lot of people moving in and this has to some extent insulated the property market from the effects it has felt elsewhere.

"Estate Houses" in the popular price ranges are proving the most difficult to sell. But Alonzo Dawes and Hoddell, with six offices in the area, report a continuing strong demand for small country properties with character and a good plot of land. Just the kind of thing that the executive moving out of London would be seeking in the area. A two-bedroomed cottage with sculpture improvement and standing in one acre in Nailsea near Bristol recently fetched £25,000 at auction.

A boost

It is thought that demand for "character" properties in the Bristol area will continue to be boosted by families moving into the area with companies decentralising from London and the South East. "Prices are lower here, of course," says David Mewes, a partner in Alonzo Dawes and Hoddell, "but anyone expecting, as some do, to pick up a Cotswold gem for a song will be sadly disappointed. Prices have moved much closer to South-East levels."

An example of what his own firm currently has on offer is Box Cottage, at Langford, in North Somerset (see photograph). The asking price is £28,500. It is an expensive restored Georgian cottage with three reception rooms, four bedrooms, two bathrooms, and it stands in a third of acre with stabling and overlooking open countryside. And it is within easy commuting distance of Bristol.

Box Cottage, near Bristol.

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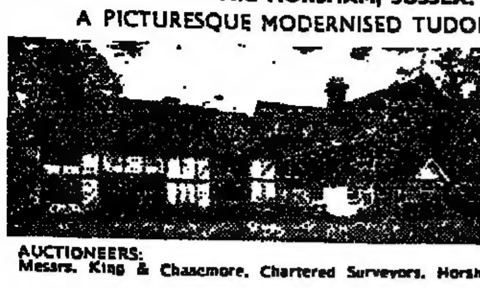
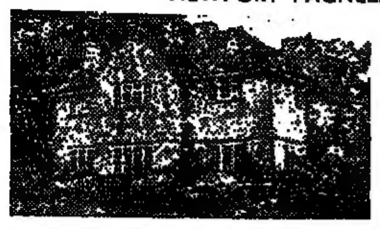


4 bedrooms, bathroom, 3 reception rooms, cloakroom, kitchen. Large Barn comprising music room and 2 other rooms. Central heating. Garage. Garden of about 1 acre.

FOR SALE BY AUCTION 31st OCTOBER

AUCTIONEERS: Messrs. King & Chasemore, Chartered Surveyors, Horsham Office. Tel. 64441.

NORTH CRAWLEY RECTORY
NEWPORT PAGNELL 3½ MILES



Built in the late 1930s and on the edge of the village overlooking farmland.

5 bedrooms, bathroom, cloakroom, 3 reception rooms, kitchen. Central heating virtually throughout. Garden about 1 acre.

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FOR SALE BY AUCTION ON THURSDAY, 11TH OCTOBER
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Auctioneers: King & Chasemore, Chartered Surveyors, Chilton, Nr. Aylesbury, Bucks. Tel: Long Crendon 208-454

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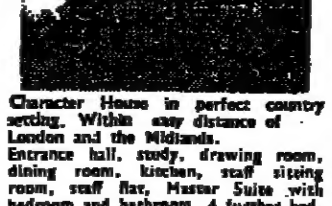

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ow to spend it by Lucia van der Post

ɔugh to make a ꞉h Priest swoon

BY PHILIPPA DAVENPORT

SE of us with fast tans and eleven wait till our next ı Mediterranean sun- is a time for nostal- ellers' tales and recall the visual ·ut I find smells and ʼen more evocative— ·ing the dishes en- l is, for me, the most ıy of recapturing the rit.

ɛs are ideal candi- nostalgic "cook-up": ou've been on the ances are you ate at electable dish which hem, and English s are now well h this shiny purple ber of the potato leved by some to be ith magical proper- own as "poor man's any Arab countries).

e, Moussaka and e well known and— imaginatively — the ;ine dishes to feature gularly on English re are some alterna- stions, but first a Aubergines contain y bitter juices and nomenal capacity for oil—characteristics best counteracted ing. Slice the auber- ıalve and scoop out stuffing) but don't Sprinkle very gene- ı salt, place in a over with a plate and ight on top. Leave 30 minutes to draw ɛs, then rinse under g water and squeeze aper towels.

ɛrn delight

ɛs can, of course, be ı a mincemeat, herb xture for a hot main ıost exquisite of all ɛrgine dishes is Imam e hors d'oeuvres of e name means "The st Swooned" and y as to the reason: the oil involved, or ınomic pleasure). Cut ɛrgines in half. Gently ɔ in a little olive oil each of onions and ome crushed garlic ɛd parsley. Season cinnamon and cumin few raisons and pine the aubergines with , place in a pan with a little sugar 5 fluid ounces olive oil, the juice of a lemon and enough water to cover. Simmer gently for one hour or more then leave to cool in the cooking liquor. Serve very cold.

Aubergines Cacik is a delicious and extremely simple appetizer. It also makes a good side dish to serve with a grill. Thin slices of aubergine are dusted with flour, fried in olive oil till golden and crisp (don't fry too fast; they burn easily), then thoroughly drained on absorbent kitchen paper. Serve piping hot with a bowl of well chilled source: sour cream or yogurt with crushed garlic, chopped mint, salt and pepper stirred in. (Allow 1 lb. aubergine for four people in this and the following recipes.)

Italian pie

Slices of aubergine, fried as above, are also used for Melanzane alla Parmigiana, a rich Italian pie. The aubergines are placed between layers of ham and sliced tomatoes, then topped with Mozzarella, Parmesan and breadcrumbs and baked in the oven till the cheese is golden and bubbling.

An Egyptian omelette, Aubergines Eggah, uses fried cubes of aubergine. Most of the fat is poured off after frying and eight eggs beaten with salt, pepper and chopped chives are added to the pan. When the bottom of the omelette has set, sprinkle on Parmesan and finish cooking under a hot grill. This can be eaten hot or cold—and makes admirable picnic food. Courgettes or a mixture of aubergines and courgettes can also be used for this recipe.

Popular throughout the Middle East as appetizer or side salad is Aubergines Purée. I like it best thickened with a little cream cheese, generously scattered with chopped parsley and black olives, and accompanied by hot French bread and a tomato salad. Sear the aubergines over a flame or under the grill (charcoal gives a special aromatic and smokey flavour) until the skins are quite black and beginning to blister, then rub off the skins under running water and squeeze with your hands to extract as much juice as possible. Reduce to a puree, stir in a little olive oil and lemon juice, and garlic and pepper to taste adding 3-4 ounces cream cheese for a thicker consistency.

ɪard by the City Gates

ek a new hotel, the Iotel, opened in the st by Tower Bridge. right on the river's the only hotel I can n London that uses ıs a source of visual Sitting upstairs in one of the many bars or dining in the Princes' Room or the Carvery there are views of the river on all sides, giving an intimation of just how splendid the whole St. Katharine's Docks project could become.

The hotel was designed by the architectural firm of Renton Howard Wood while the interior design was done by Glynn-Smith Associates. They've succeeded admirably in conveying an atmosphere that is sufficiently restful and luxurious to appeal to City gentlemen (particularly in the Princes' Room, where the food is extremely good and shows promise of becoming even better) as well as being not too august to put off the hoped-for tourist business. Try it for business entertaining, for quiet evening dinners, for booking in foreign contacts or for using as a conference centre.

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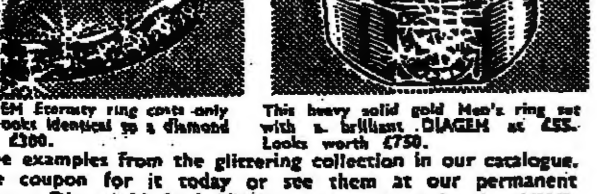

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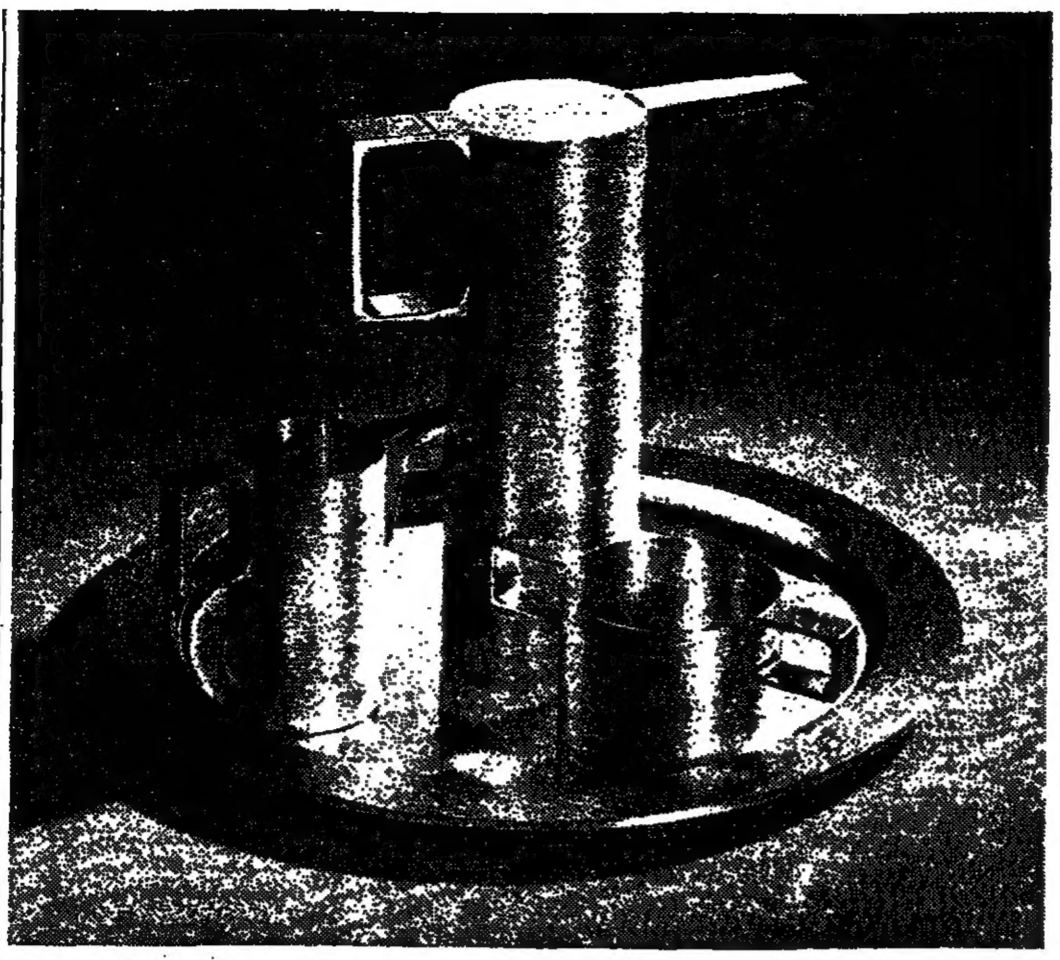
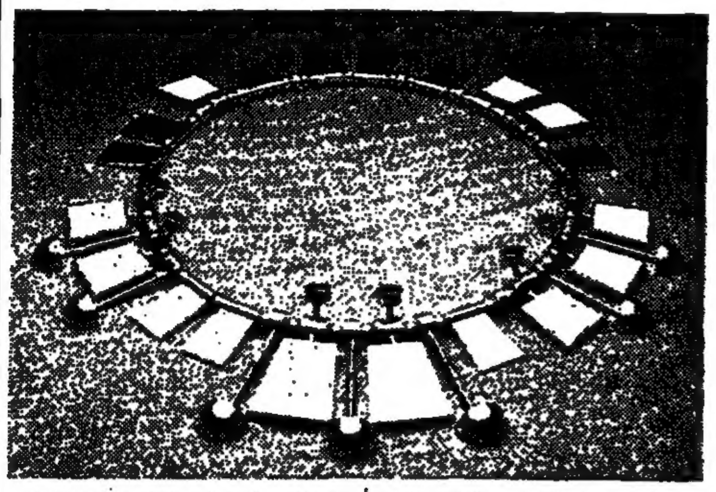
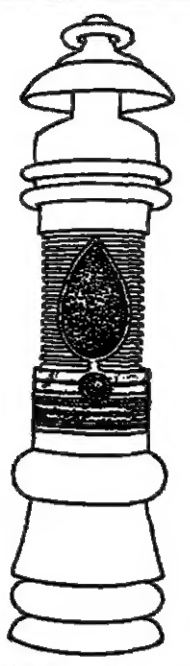


SILVER COFFEE SET by Christopher Lawrence. £565 for the coffee pot, £158 for the milk jug, £150 for the sugar bowl and £295 for the tray. Available from Galerie Jean Renet, 1 Old Bond Street, London, W.1.



NECKLACE, designed and made by David Watkins. Made from silver with white enamel plates and touches of 18 ct. gold with blue and red enamel. £560.



TRANSPARENT green acrylic stand designed by Wendy Ramshaw to display her set of three rings of 18 ct. yellow gold with blue and green enamel set with green tourmaline and chrysophrase. £132.

Janet Wheeler

ANDREW GRIMA'S brooch of deep red agate with "waves" of diamonds. £990.

Rich and Rare

THERE has been a great deal of interesting activity in the jewellery field recently. This week De Beers announced the winners of their annual Diamond International Awards and a more interesting and unusual collection of designs and ideas one could hardly hope to see.

As nearly always, the Goldsmiths' Hall, Foster Lane, are behind a lot of the activity—providing a showcase for the De Beers winning designs, encouraging young jewellers, displaying their work, linking artists with suppliers and retailers.

Next Wednesday, a new exhibition opens at the Goldsmiths' Hall—the work of Wendy Ramshaw and her husband, David Watkins. Wendy Ramshaw's work has become world-famous. She's chiefly known for her clusters of rings, designed and intended to be worn as a group. Originally they were subtly assorted groups of stones, which protruded from the rings at right angles.

Her new collection, which is on at Goldsmiths' Hall until October 16, shows that she still has the same strong feeling for groups of rings, though nowadays the stones tend to protrude longitudinally along the finger.

Ramshaw

Wendy Ramshaw also believes strongly that jewellery should not be locked away in strong boxes when not being worn. She believes it should be a source of continual visual pleasure and has therefore developed a series of unique acrylic or brass ring stands which look rather like miniature Post Office towers or mysterious chessmen, which act as display stands for the rings. (See drawing second row, right.)

David Watkins, on the other hand, has not until now been widely known for his jewellery. He trained as a sculptor and made lunar models for the film "2001 Space Odyssey"—if you look closely at the necklace, photograph near right, the attempt to create the feeling of a satellite in motion is apparent. David Watkins is apparently much fascinated by the problems of conveying the idea of perpetual motion in static objects and has tried to do this with much of his jewellery. Personally, I like the necklace very much—it looks both modern and precious, two qualities not always found side by side.

Anybody wishing to buy any of Wendy Ramshaw or David Watkins' work should contact either the Electrum Gallery, 21, South Molton Street, London, W.1, or the British Crafts Centre, 43, Earlham Street, London, W.C.1, both of whom display their work throughout the year and will act as linkman for any commissioned work.

Grima

Andrew Grima is another of our jewellers with a world-wide reputation who is just about to stage an annual exhibition right in his own showroom at 80, Jermyn Street, London, W.1. Opening on October 10 (and on until October 27), his recent collection of designs features a group of gemstones and minerals that he collected in Brazil and Africa. He's called the exhibition Sticks and Stones and it shows Grima's penchant for large stones, for unusual settings, for strongly individual work that owes nothing to any other jeweller that I can think of.

His style is flamboyant, rich, extrovert and would, I think, take a lot of wearing. It cries out for the international status symbols of Michaeljohn hairdo, Gucci bag, Vuiton luggage. I like best of all in his new collection the carved agate brooch drawn below right. The agate itself is a deep, smooth red, except where it has been carved away in a descending swirl of layers. Most of Grima's jewellery seems to me to be suited to rather grand evenings, but this brooch could be worn at any time, to any event. Also in his collection are sticks of emerald and tourmaline, hunks of quartz and aquamarine. Many of the designs combine the primitive look of rough stones with the highly polished look of finely set diamonds.

Lawrence

Then there is the work of Christopher Lawrence, who is not a jeweller but a silversmith. He, too, is about to have an exhibition of his own—and at the Goldsmiths' Hall, starting on October 22.

He is a young silversmith whose work is becoming increasingly well-known and he's much sought after for prestigious commissions. He works from his home at Leigh-on-Sea, in Essex, but he sells his work through Galerie Jean Renet, at 1, Old Bond Street, W.1, where a selection can always be seen.

He seems to specialise in dinner services, goblets, coffee pots, tea sets and candelabra, though his very latest commission is to provide a bath of solid gold for a private client (who can it be?). To give you some idea of Christopher Lawrence's work and style, the silver coffee set, photographed top, is just one of the many examples of his work that will be seen at the Goldsmiths' Hall exhibition but is on sale now at Galerie Jean Renet.

— and

● For those who are more interested in selling their jewellery than in buying any more, it is worth mentioning Richard Ogden's excellent scheme. Richard Ogden has for years run a fine jewellery shop at 28 and 29, Burlington Arcade, Piccadilly, London, W.1., selling modern designs along with antiques. Having noticed how jewellery and silver have rocketed in price over the last few years, particularly rubies, emeralds and sapphires, he found that many of his customers wanted to invest in them while others wanted to sell. Selling individual pieces of jewellery by auction, unless exceptionally rare and valuable, is not always the best method —it takes time, valuable capital is tied up, a good price may or may not be obtained. Richard Ogden therefore decided to display the jewellery or silver of customers who wanted to sell for no charge at all. If the jewellery is sold he claims a commission of 15 per cent., if it is not sold there is no charge and furthermore the shop bears the cost of insuring the item.

The Cardi's back

NOBODY can have failed to notice that the cardigan has been fully re-instated in the fashion scene. It's been around for ever, of course, but until this year it hasn't been really fashionable to wear one, just sensible.

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One of the unfortunate byproducts of this focusing of high-powered talent is that this once humble garment is now commonly priced as if it were coming straight from the hands of Balenciaga himself. Quite ordinary, though fashionably chunky and warm, cardigans are now selling in the shops for anything from £12 to as high as £53. This is in part due to the price of wool, which has sky-rocketed, and in part due to the higher cost of retailing and the expensive talents that are now being turned on to knitwear.

The chain stores, as usual, are the saviour of the poor but chilly. Dorothy Perkins have some splendid cardigans, though in not very subtle colours, for as little as £6, whilst British Home Stores, Marks and Spencer and C and A are all producing splendidly warm and bulky versions of the currently fashionable shapes.

Liz Gill

Next week we will offer you a pattern devised for us by Lister and Co. (the wool firm) for those who are good at knitting and would like to make their own. Like the best cardigans, it is rather more like a jacket and can certainly be worn instead of a coat through the autumn and on the milder winter days.

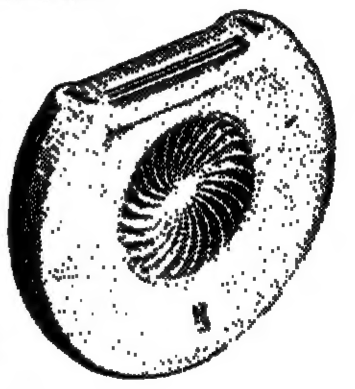
In the meantime here are some knits to buy.

Above: Left, a wool mixture cardigan by Stirling Cooper. It has a red fleck, or grey or green or blue. It comes in sizes 1 to 3 and costs £15.95. Right, a neater, more slimline one for those who can't wear quite such a bulky line. This one is in 70 per cent. wool, 30 per cent. rayon also flecked in oatmeal, maroon, grey, bottle green, brown or blue. £16.95, sizes 1-3.

Both available from: Ronnie Stirling, 94, New Bond Street, London, W.1. Peter Robinson shops (London, Leeds, Cardiff and Norwich): Kendal Milne (Way In Dept.) Manchester, Owen Owen group—Liverpool and Wolverhampton.

Sketched below left: Miss Selfridge currently have a very good collection of Italian slipovers which are sold with matching plain or printed jersey shirts. They make it very easy to build a wardrobe of separates and are very reasonably priced. The checked slipover and plain jersey shirt in the drawings comes in a variety of autumnal colours, like bottle green, plum, rust, brown, etc. The slipover and shirt are £7.95 and are available from all Miss Selfridge stores.

A throw-away razor



THIS MAY look rather like a sophisticated yo-yo but in fact it's the latest, and most revolutionary, line in ladies' razors.

Apparently 14,000,000 women in the United Kingdom remove body and facial hair in some way or another. Of these, 6,500,000 use the wet razor system yet until now only men's razors, or prettied-up versions of them, have been available.

Flicker have tried to introduce what they call "a completely new approach in the design" of blade and razor.

Certainly it looks totally different. It involves no dealings with blade. You simply turn a switch when one blade is finished and move onto the next one. When you've used up all five you throw the thing away and buy a complete new kit. As the kit is only 59p this isn't as ruinous as it sounds.

For anybody who hates fiddling about with blades, who wants a simple, light, portable and efficient method of shaving, the Flicker does seem a good idea. It's 59p complete and is available at Boots, Woolworths and most big chemists.

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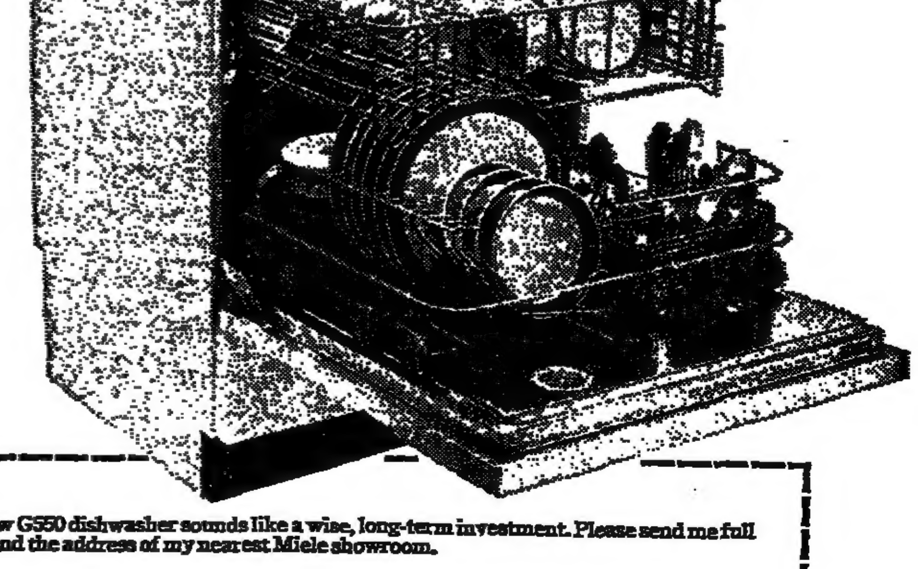

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هكذا من الأصل

Collecting wisely

Satisfying treen

BY JUNE FIELD

TREEN, that pixie-like term which covers the miscellanea of small wooden objects in daily domestic or farm use, as well as those in many trades and professions, offers a wide scope to the modest collector without a great deal of space to spare.

The word, incidentally, according to the Oxford Dictionary, dates from 1670, although in Spenser's *Faerie Queene*, a century earlier, there is a reference to:

"The wanton loves of false Fidessa fayre,
Bought with the blood of vanguisht Paynim, bold;
The wretched payre transformed to treen mould . . ."

The inclusion of some treen in recent sales at Sotheby's and Christie's has revived interest in a subject which covers such a wide range of easily storable items.

A collection of treen conjures up an intimate picture of social life and customs from the Middle Ages to the present day, representing every side of the woodworker's craft from the simple pursuits of the farm kitchen to the sophisticated niceties of elegant society. All these wooden objects are useful and functional as well as sometimes being decorative; anything of wood made solely as decoration does not qualify as treen. That is why collecting these pieces gives one such a satisfying feeling; they are natural, unsophisticated objects, often country-made, usually faded or darkened, and rubbed smooth through years of practical usage and loving care.

It is not always possible to identify the woods used by craftsmen, particularly when the items have contained water, wine, fats or oil, all of which which contributed to the discolouring and staining of the basic fabric.

Lignum vitae, a dark heavy wood, was often used for drinking vessels from the 17th century onwards; first imported from the West Indies and Central America, its name "wood of life" was given because it was believed to be a cure for various ailments; the dosage was supplied to sufferers as a kind of porridgy substance, the lignum sawdust being mixed with water.

Another West Indies timber used is quassia wood, which has insecticidal, tonic, and mildly aperient qualities. Chips from the wood were originally used for washing not-so-clean heads, and the powder for non-poisonous fly papers! Quassia goblets impart a bitter flavour to any drink left to stand in them. Yew, laburnum, fruitwood, boxwood, and mahogany were all eventually used.

The late Edward H. Pinto, collector extraordinary of these bygones, divided his invaluable, unlikely-to-be-surpassed, encyclopaedia and social history, *Treen and other wooden bygones*, into 28 sections encompassing 3,300 illustrations. Originally published by Bell in 1969, this weighty tome has been re-bound, and is selling slowly but steadily (at £10.50), now that there is such an interest in small collectables.

Items featured range over everything from an 18th-century rope layer's gauge (a wooden block moulded into grooves of different diameters on all faces), to a Victorian scissors-to-mend and knives-to-grind machine.

The Pinto collection of nearly 7,000 objects finally became almost an embarrassment of riches, and in 1966 went, as part sale and mostly gift, to the Birmingham Museum and Art Gallery. It is on display in a special gallery in the City, and at the two branch museums, Blakesley Hall, and Sarehole Mill. Although everything is labelled, Carolina Latta, assistant keeper, admitted that the sheer volume of stuff has prevented a full catalogue being completed yet, even after nearly seven years.

The selective collector can search out small smoking accessories, as tobacco, smoked or sniffed, brought into being a whole host of small wooden items. A handsome French Moroccan wood tobacco box, the sides carved with six turbanned negro heads, 8½ inches high, plus a pipe rack for six pipes, the personal property of the late Mr. Pinto, went for £90 in a Sotheby sale not so long ago (see illustration); and a collection of pipe stoppers, which could still be used to press down the weed and correct the "draw," made £26.

Nutmeg graters, string-boxes, salt cellars, pot-pourri bowls and pounce-pots (the original use of pounce being to scour, smooth and de-grease the vellum or parchment one was writing on), can be bought for under £10 in antique shops and markets, and the House of Buckingham in London's Shepherd Market, has a special room of small antiques priced from £10-£20, which include treen.

French Moroccan tobacco box.

Saleroom

Anglo-Chinese picture for 1,100 gns.

A THREE-PART sale of English and Continental pictures of the 19th and 20th centuries at Christies on Thursday and Friday totalled £66,737. The final part realised £21,746, and included 1,100 gns, paid by a private buyer for an Anglo-Chinese school painting of shipping at anchor in Whampoa anchorage. Another Anglo-Chinese school picture, a view of Hong Kong from the sea, sold to the same private buyer for 950 gns.

A landscape near Alderton, Suffolk, attributed to P. Nasmyth, sold for 650 gns to a private buyer and the same price was paid, again by a private buyer, for a painting by F. W. Key, of deerhounds in an extensive landscape. It was signed and dated 1855.

Christies' two-day sale of Australian books, manuscripts, prints and maps in Sydney, on Wednesday and Thursday, realised £74,876. The collection of Dr. W. Gerald Holt, which covered three of the four sessions, totalled £51,974.

The final session devoted to Australiana made £22,902. It included a collection of 24 letters sent by the explorer William John Wills to his father Dr. William Wills during the ill-fated Burke and Wills expedition through central Australia in 1861. These sold for £3,667.

SALEROOMS

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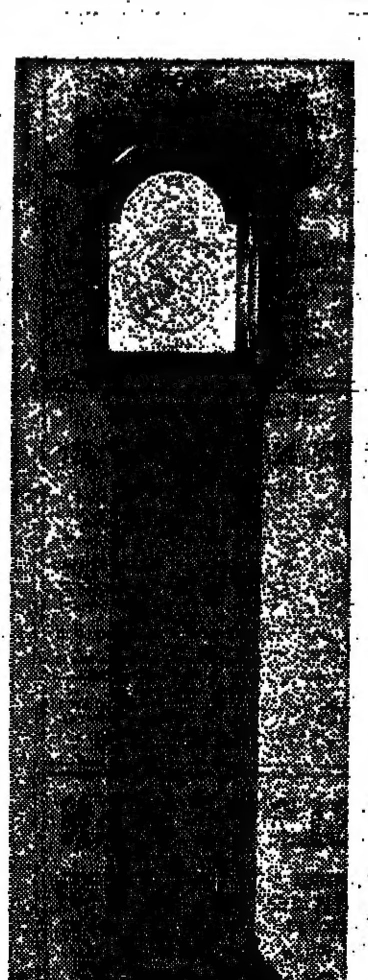
G H Bell



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The Arts

Europalia 73

BY LORELIES OLSLAGER

The biggest-ever British arts festival held abroad got under way in Brussels this week—an effort to "demonstrate the cultural value of Britain's entry into the European Economic Communities," according to the official programme

The Duke and Duchess of Kent, Sir John Betjeman, the Royal Ballet, the London Symphony Orchestra under Andre Previn, numerous fringe theatre groups, the Lord Mayor of London with his suite and pikemen, and the bands of the 4/7th Royal Dragoon Guards have all been called in aid.

Britain is the third Common Market country to hold a "Europe" festival in Belgium—Italy and the Netherlands were the others—but the British effort is by far the most ambitious.

There are 18 exhibitions ranging from master drawings from the Queen's Collection to modern art from the Tate to Victorian posters and present-day design and craftsmanship. There is a month of British films, poetry readings, happenings, university lectures and seminars, and special broadcasts on Belgian radio and television.

And while opera and theatre are rather under-represented there is plenty of pomp and splendour such as a British military tattoo with massed bands playing *Europe on the March* and a ceremonial meeting between the Lord Mayor of London and the Burgomaster of Brussels who will open an exhibition of gold and silver treasures from the City of London.

Pomp and ceremony, with their rather unfortunate flavour of a "British Week" apart, the main attractions of the four-week festival are the Royal Ballet, whose five performances of *The Sleeping Beauty* and *Song of the Earth* are already sold out, and the English Opera Group's performances of Benjamin Britten's *Death in Venice*—rather misleadingly billed as the European premiere.

Equally much in demand is the Young Vic with the Frank Dunlop production of *Much Ado About Nothing*, and obviously the London Symphony Orchestra under Previn. In general, both symphonic and chamber music concerts are already sold out, while British soloists such as George Malcolm, John Lill and Douglas Cummings have proved less attractive so far, perhaps because their names are not widely known on the Continent.

The Young Vic apart, only two other British theatre companies are coming, but neither the Prospect Theatre Company with *The Royal Hunt of the Sun* nor the English Stage Company with D. H. Lawrence's *The Merry-go-Round*, look like convincing box office successes so far.

Response to the various fringe theatre events has been slow, but then the organisers reckon that the audience will be mostly those who go spontaneously on the night and cannot be bothered booking in advance. Admission to jazz, pop concerts and experimental music is free, and there is therefore no yardstick to measure popularity.

On the other hand, there is already a lively interest in British films, including a selection of Michael Powell's and a number of horror films, to be shown at the Musée du Cinema.

The Belgian Press has given *Europalia* wide advance publicity, but has relied mostly on copying handouts rather than making its own assessment of what is being offered.

One of the exceptions was the Brussels evening newspaper *Le Soir*, which in two full-page articles earlier this month argued that despite all the obvious efforts to mix the traditional with the modern, the established with the experimental, the festival remained on the "conservative" side.

This point may be debatable looking at the programme as a whole, but there can be no doubt that it is the traditional, "conservative" events and the lustre lent by royal, ambassadorial and ministerial attendance which have hogged the limelight so far.

Now, the question exercising many minds is how many ordinary Belgians will actually go to *Europalia* events. Brussels has a large English-speaking colony (both American and British) and as many exiles from other countries looking to the festival as a break from diplomatic, EEC or business routine. Between them, the foreigners can make *Europalia* a success as far as attendance goes without any Brussels burgher ever setting foot into a theatre, concert hall or museum.

Derry Moore

Leonard Maguire and Andrew Byatt in a scene from "The Bevellers" by Roddy McMillan which the Royal Lyceum Theatre Company of Edinburgh is presenting at the Shaw Theatre in London for a short season. It will be reviewed in Monday's paper by Michael Coveney

Son of Orghast

BY HENRY POPKIN

Son of Orghast has come to Brooklyn. To speak more exactly, Peter Brook has brought his acting company from the International Centre for Theatre Research in Paris to the Brooklyn Academy of Music, where four sessions are scheduled. On each of four days, the company is giving "a series of demonstrations"—in effect, improvisations and the results of past improvisations—from mid-morning to the end of the afternoon; those who attend are requested to come both morning and afternoon. In all four evenings, the company performs *The Conference of the Birds*.

This company's subsequent adventures in Brooklyn may turn out to be more curious, but they may also be more difficult to find. Mr. Brook's actors will observe Brooklyn for a bit and then pick out parks, streets, and perhaps other places where they will give performances. One gets the impression that it will be difficult to know much in advance just where the company will be.

Having attended all the sessions of the first day—morning, afternoon and evening—I can report that both the demonstrations and the more formal presentation are superior laboratory work and no more. They are better showcases for the 11 actors—who include Helen Mirren, Natasha Parry, and two of the most memorable veterans of *Orghast*, Malick Bagayogo and Katsuhiro Oida—than for their director. That is not to disparage Mr. Brook, who obviously needs long periods of gestation and experiment before he comes up with a *Marat/Sade* or a *Midsummer Night's Dream*. I take *The Conference of the Birds* to be Mr. Brook's current journey (or a part of it), not his goal.

The morning's work held few surprises for anyone who has seen *Orghast*. The high point of the simpler improvisation is the discovery of the infinite variations of bamboo poles—balancing them, throwing them, catching them, and anything else that is possible. Recitations in foreign tongues included some echoes of *Orghast*—passages in ancient Avestan and excerpts from *Prometheus Bound* and *The Persians*. The afternoon session had some rude shocks. These actors are now doing their own improvisations, and very amusing they are, but the actors occasionally made use of modern tongues, including English. To a veteran of *Orghast*, this is blasphemous.

For much of the afternoon, the actors played with large boxes of corrugated cardboard. Puzzled by a particularly mystifying box, the actors angrily tore it to pieces, manifesting their anger in a variety of ways. A small box contained one of their colleagues, for whom the box was obviously the womb. Emerging from it, he was a stranger to human experience, and so the others set about teasing him; they alternately instructed him to laugh and to cry.

I was ready to agree with Mr. Brook when, in a subsequent discussion period, he remarked that the actors showed "a sense of myth" when they opened the box and improvised with it. The afternoon's last episode had less myth and more conventional action (and much more use of language): a beggar, heartbroken because his wife had run off with a Japanese, became a stiltwalker in the circus and was consoled by a contortionist.

In the evening, nine of the actors mimed birds much of the time while Mr. Bagayogo and Miss Mirren led them in various rituals; the burden of narration fell to Miss Mirren, and that, I fear, was a waste of her great talents. The birds drunk a mixture of beaten egg and milk in a ceremony suggesting the Mass: "This is the blood of your heart."

Ritual eating continues to figure in the play. Challenged to prove himself a true king by consuming an aubergine, one actor reluctantly attacked it but soon was gobbling it with relish. Later, the ritual leader again challenged the king by eating an orange. The king accepted the challenge and was handed a lemon, which he wolfed down with pretended pleasure.

Individual episodes of *The Convention of Birds* seem all to be tests of faith or of love or an iron constitution, but we are keenly aware that we need to have them explained to us and that, with all the explanation in the world, their interconnections are minimal. Even in the absence of familiar tongues and running narratives, *Orghast* was more eloquent.

The week's theatres

MERCURY. *The Spanish Tragedy*—Inadequate production of Kyd's famous Elizabethan tragedy. Sloppy verse-speaking and half-baked experimental effects do little for this interesting curiosity. Opened Monday.

ROYAL SHAKESPEARE THEATRE, STRATFORD-UPON-AVON—*The Taming of the Shrew*. Clifford Williams's production, in which Alan Bates makes his debut with the RSC, is full of flowing, inventive staging. But, aside from all the surface fun, there is little spirit between Mr. Bates's Petruchio and his shrew (Susan Fleetwood). Opened Tuesday.

ROYAL COURT—*The Farm*. David Storey's latest play, impeccably directed by Lindsay Anderson, poeticises the tensions of family life in characteristic style. Much pain, love and energy as well as superb performances from Bernard Lee, Patrick Healey and Frank Grimes. Opened Wednesday.

DUCHESS—*In Praise of Love*. Terence Rattigan's first stage writing for ten years comprises a double bill starring Donald Sinden and Joan Greenwood. *Before Dawn*, an earnest farcical reworking of the Tosca story; *After Lydia*, an arch account of the love of an uncaring literary critic for his leukaemia-stricken wife. Turgidly old-fashioned, but Sir Terence is not shy of a few rude words, the dog. Opened Thursday.

MINING EQUIPMENT SHARES

The prospects for growth

BY PETER FOSTER

THE LAST year has seen a dramatic revival in the fortunes of the coal industry. The Government's announcement in December of a £1,200m. aid package for the National Coal Board came as part of an almost universal reassessment of the importance of coal in the light of the political uncertainty and increasing cost of oil supplies.

The U.S. is now forecasting an increase of a third in coal output by 1980 while in the past 12 months China has placed two large orders in Britain, worth a total of £17¼m., which involve all three of the leading specialist mining equipment manufacturers: Dobson Park, Anderson Mavor and Dowty.

Buoyant shares

This promise of security in the domestic market, plus greater buoyancy of exports—aided by curency movements—has led the first two of these companies, whose output is overwhelmingly of mining equipment, to outperform the market significantly this year. Since December 12, when the Government announced its financial commitment to coal, the 500 Share Index has fallen by 19 per cent. Dobson Park however is 9 per cent. up while Anderson Mavor is showing an even more impressive increase of 14 per cent.

Last year 85 per cent. of Dobson Park's profits and two-thirds of its turnover came from mining and hydraulic equipment. The company was formed in 1969 from the merger—under the auspices of the Industrial Reorganisation Corporation — of Dobson Hardwick and William Park. Earnings of the new group and 1971 and merely maintaining this level last year was better than most market expectations. Moreover, there were indications of further tightening up of the balance-sheet, with liquid funds up to £800,000, against an overdraft of £2.4m. in 1970, and cash flow showing a further significant increase to £2.9m.

The first half of the current year showed a profits increase of 37 per cent. to £2.7m., but the emphasis seemed to swing away from mining equipment, where profits appeared only marginally ahead, following a drop in margins from 13.3 per cent. to 10.8 per cent. However, this was largely due to a provision for a claim by the NCB under its rebate scheme, whereby it seeks to share in the benefits of declining unit costs when large orders are made. Negotiations are now in progress which will, hopefully for Dobson Park and Dowty (the scheme does not apply to Anderson), mean the end of this rebate, opening the way to higher profits in a more buoyant domestic market.

The non-mining sections of Dobson showed exceptional progress at half time with Kango, the electric hammer side, producing profits up almost four-fold at £353,000 while engineering was better than doubled at £282,000.

Overseas prospects

Overseas prospects are excellent. The company's £3m. share in the consortium to supply equipment to China will bring export sales from 10 per cent. of total turnover to around 20 per cent., with the figure projected to rise to a quarter in the not too distant future. Dobson's longwall hydraulic support systems are proving popular in the U.S. while a move into the Australian market is also projected. The German company in which it has a stake is already doing profitable business with Poland. For the current year, which draws to a close this week, at least £6m. should be on the cards. Here, after this year's one for two scrip, the net p/e would be 7.1 and the yield a respectable 5.4 per cent. at 37p. The shares should continue to perform well.

The reason for Anderson Mavor's even greater strength against the market is its exceptional profit recovery since the nadir in 1971, of which the figures for the year to last March, showing a pre-tax jump of 86 per cent., provided an impressive second leg. Last year saw considerable pruning and reorganisation, the most significant part of which was the elimination of the loss making surface conveyor business. Anderson's equipment is on the coal cutting, underground conveying and power loading side. Its products form the complement to Dobson's power support systems in the £5½m. Chinese order.

Last year Anderson's export turnover represented 13 per cent. of total sales but the Chinese order plus work at good margins in Europe should mean that, as with Dobson, exports could climb to a quarter of turnover before very long. Pre-tax profits of £2.5m. look to be on the cards for the current year, which would bring the prospective p/e down to 6.6, with good support from a yield of 6.7 per cent. As with Dobson the shares should have medium and long-term attractions.

Although it is the largest of the three groups, with a market capitalisation of £45m. against £21m. for Dobson and £10m. for Anderson, only around one third of Dowty's sales and profits derive from mining equipment, which has not been enough to prevent the shares falling in line with the market this year.

Major boost

However, the mining side has received a major boost from the £12m. Chinese order for longwall support systems, a figure which, for perspective, amounts to around three-quarters of the company's total exports last year and represents a half of total mining equipment sales. Similar systems have already been installed in Czechoslovakia and Poland and, like Dobson, the company sees strong potential in the U.S. in the light of revised output projections. Dowty's prospects for the current year look good all round, with a prospective p/e of perhaps 10-11 at 121p, obviously taking account of the higher rating of the aircraft side.

Housing association buys property companies

BY JOE RENNISON

THE TAKEOVER of three property companies for £850,000 by a housing association in the North has been announced. It is thought to be the largest deal of its kind so far by an association.

KEW Estates, Cohen Estates and Kireay Estates, who own 740 houses in the Liverpool and Manchester areas, was bought by the U.K. Family Housing Association.

According to Mr. David Bebb, the association's development director, this takeover could be the first of many similar deals. So far housing associations had been limited to small-scale acquisitions, but they were encouraged by the Government's White Paper which urged such associations to help local authorities in areas of housing stress.

One unusual aspect of the deal was the backing of a merchant bank, in this case Hambros. It is hoped that Hambros along with the Housing Corporation, headed by Lord Goodman, would continue to back a mounting programme of large-scale aquisitions. The properties will be passed on at cost to local housing associations for development and restoration with the help of local authorities.

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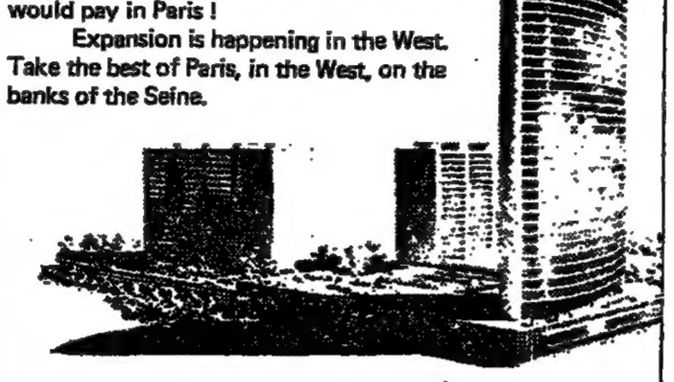

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North Sea oil will create 20,000 Scottish jobs

BY CHRIS BAUR, SCOTTISH CORRESPONDENT EDINBURGH, Sept. 28.

AT LEAST 20,000 more jobs will be created in Scotland in the next 18 months through the development of new industry related to North Sea oil activity. This new estimate, which overtakes previous official forecasts, was given here to-day by Mr. Peter Emery, Parliamentary Under-Secretary at the Department of Trade and Industry, in a report to the Oil Development Council for Scotland.

Mr. Emery said that in the past two years, 5,500 jobs had been created in oil-related projects in Scotland. Companies had now given definite forecasts of an additional 9,600 jobs being created, with a further 10,550 "in the pipeline" in the next 18 months.

This "very encouraging tale" did not include the impact of the Frigg gas field development, which the British Gas Corporation announced this week and would involve a peak labour force of about 1,000 in the next five years for pipelaying and construction work in Scotland.

The estimates updates the figures issued last month, which showed that in May this year some 4,200 jobs had been created in oil industry schemes, with 9,000 more in prospect.

Mr. Emery stated that drilling activity in Scottish waters was already up on last year—43 appraisal and exploration wells had been drilled to mid-September, which equalled the total for the whole of the previous 12 months.

The average number of rigs operating off Scotland had risen from seven to 13 and expenditure on drilling was now running at between £5m. and £7.5m. a month.

In northern North Sea waters and off Orkney and Shetland, 35 wells had been drilled to date of the total of 210 wells contracted to drill under the third and fourth round of exploration licences.

This was "a very remarkable success story—more successful than anywhere else in the world," added Mr. Emery. The industry was now within sight of the bottom end of the 70m.-100m. tons a year production range anticipated from North Sea fields by 1980.

Lord Polwarth, Minister of State for Scotland, who is the Government's coordinator of oil policy affecting Scotland, said there was a long-term potential for development of the off-shore oil industry in Scottish waters "for a period of at least 50 to 70 years ahead."

Report suggests State control over Wester Ross site

BY OUR SCOTTISH CORRESPONDENT EDINBURGH, Sept. 28.

A PROPOSAL that a Government or semi-Government body might take over a key Scottish West Coast site to supervise its use as a major oil production platform yard, is made to-day in a report for the Scottish Office by Sphere Environmental Consultants, of London.

The 200-page report makes a broadly unfavourable analysis of the impact on the sparsely-populated area of Loch Carron, Wester Ross, of proposals by Taylor Woodrow Construction and John Mowlem.

Uncertainty

Both companies are competing to use the site near the tiny village of Drumbuie to break into the market for concrete off-shore oil production platforms, estimated to be worth £20m.-£30m. each.

The report says that the two contractors estimate a continuous manufacturing process of between 10 and 15 years, although forecasts in the industry suggested demand for platforms in U.K. waters lasting up to 30 years.

It states: "The plain fact is that nobody knows for certain how many platforms are required, nor over what period: and equally nobody can guarantee that tenders by an individual constructor will be successful enough to ensure continuous production."

Sphere says that, to prevent intermittent operation, ownership of the Drumbuie site might be vested in a Government or semi-Government body. It could then be leased to a contractor and when these operations ceased, re-let to another.

The report assesses the economic impact of a sudden influx of up to 600 men, earnings a weekly wage two to three times as large as the local average.

It says that forestry and building would be the most vulnerable local industries—the Forestry Commission could lose up to 40 per cent. of its labour force, and this could jeopardise immediate timber supplies to Scottish Pulp and Paper's mill at Fort William, as well as affecting the longer-term replanting programme.

The report adds that the project was unlikely to attract related new industry to the area and might prevent fresh investment in unrelated enterprises. Its economic impact on the region was also "unlikely to be beneficial in terms of leading to a balanced growth."

A public inquiry into the applications opens in Kyle of Lochalsh on November 12 and the report will be offered in evidence.

Ross and Cromarty County Council has not yet decided whether to support or oppose the two companies' applications, although the National Trust for Scotland, the landlord, has lodged an objection.

Next week the county council takes a delegation of officials, councillors and interested organisations on a three-day fact-finding trip to examine similar operations in Norway.

Sphere Environmental Consultants has been asked by the Scottish Office to produce a similar analysis on the Ullapool area, following a second application by Mowlem to develop its platform yard there, if Drumbuie is withheld.

Olsen plans Stornoway base

BY OUR SCOTTISH CORRESPONDENT EDINBURGH, Sept. 28.

FRED. OLSEN, the London shipping and shipbuilding group, has outlined plans for a £6m. base at Stornoway, on the island of Lewis, for servicing and manufacturing operations in connection with North Sea oil exploration.

Mr. Michael Thompson, managing director, to-day returned from a visit to the island where he revealed Olsen's interest in establishing the base on about 200 acres of shore line owned by Stornoway Trust Estates.

Included in the project would be facilities to construct drilling rigs or fabricate rig-sections, and produce jacket sections for off-shore production platforms. An oilfield supply base would also be built.

The company has said it would like to start construction early next year, and expects employment could build-up to 1,000 jobs by 1982.

Interest in Stornoway as a supply location has also been shown by Celtic Basin Oil, a Saudi Arabian Government venture which has exploration concessions in The Minch.

Earlier this year, Olsen, which is developing a supply base at Lerwick, Shetlands, announced tentative proposals for an £8m. rig and platform construction yard at Buckhaven, Fife. It made it clear then, however, that a technical assessment of the site still had to be made to confirm its suitability

Belfast troop cuts next month

BY RHYS DAVID BELFAST, Sept. 28.

BOTH Roman Catholic and Protestant areas of Belfast which have shown signs of returning to peaceful conditions will experience troop cuts when 1,000 soldiers are withdrawn from the province by the end of next month.

In Protestant East Belfast greater use will be made of the joint military and civil police patrols which already operate in various parts of the province, though there will still be a military unit responsible for the area.

A second regiment of military police has already been sent to the province to enable use of the joint patrols—intended as a halfway house on the way back to normal policing—to be extended.

In Andersonstown in West Belfast, where the Army announced on Wednesday it would be quitting its base at Casement Park, responsibility for maintining security will be passed to military units operating from other posts in the vicinity.

With large areas of Belfast now comparatively quiet the main trouble spot worrying the army is the Falls, where there is evidence of a continuing struggle for power between the Official and Provisional wings of the IRA. A number of shooting incidents arising from this rivalry and not involving the Army have recently taken place.

In the province as a whole, the Army claims that during the present month it has been involved in less than half the shootings that have been recorded.

Tootal to double output at Flimby factory

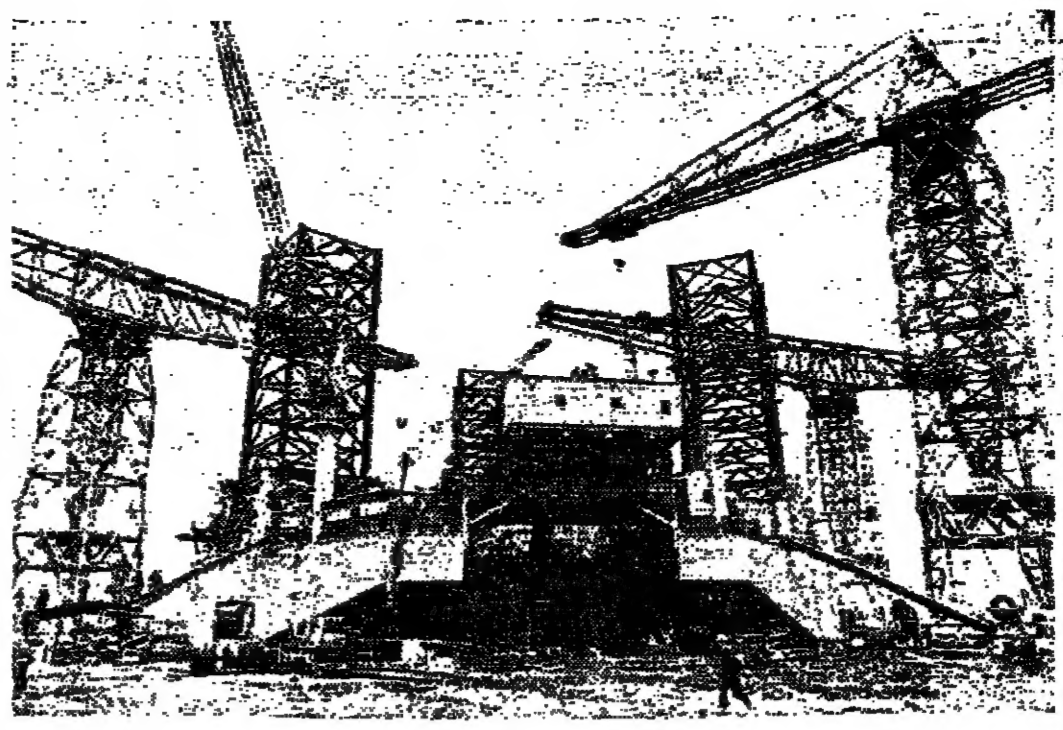
BY KEN GOFTON

A £2M. EXPANSION at the Flimby, Workington, factory of Tootal's subsidiary, Condura Fabrics, announced yesterday, will double capacity in two years and create 140 new jobs. The original plant was opened only three years ago.

Condura, which also has a factory at Congleton, Cheshire, makes warp-knit fabrics for men's, women's, and children's clothing, and car upholstery.

As a result of the expansion, output from the two factories is expected to rise from 1,700 tonnes to 2,700 tonnes a year, taking turnover to a projected £6m.

Mr. Tom Weatherby, joint managing director of Tootal, said the group had been delighted with the capability of the people in the area, and with the progress that Condura had made.



The oil rig ready for launching.

Marathon to launch first rig from Upper Clyde yard

BY OUR SCOTTISH CORRESPONDENT EDINBURGH, Sept. 28.

MARATHON SHIPBUILDING, the U.K. subsidiary of the Texas Company, Marathon Manufacturing, to-morrow launches its first oil exploration rig to be built at the former John Brown yard of Upper Clyde Shipbuilders since the company moved in there in August last year.

The rig is a three-leg jack-up valued at over £5m. It has been built for North Sea duty for Penrod Drilling Company of Dallas, Texas. The company will immediately lay a keel for a similar jack-up rig for the American company, Key International.

The Clydebank yard was taken over by Marathon after the liquidation of UCS. Its reconstruction for rig building is being assisted with British Government loans amounting to $15m. and additional subsidies and production grants totalling $17m.

The launching takes place three days after the news that the company's Houston-based parent faces an after-tax loss of $6m. because of low tendering on four Penrod rigs, to be built at its Brownsville, Texas, yard.

The loss has led to the replacement of Marathon's president, Mr. Wayne Harbin, who negotiated the Clydebank deal, by Mr. Gene Woodfin, an investment banker.

The Scottish yard's other current work is on the conversion of a former naval vessel into a drill-ship, due to be delivered to Reading and Bates in the first quarter of next year.

Progress at Clydebank has clearly been slower than Mr. Harbin was forecasting earlier this year. In his first statement to stockholders since the acquisition, he anticipated that the yard would contract for a further three drilling units during 1973.

The company has taken on 1,900 of the former UCS men, in a yard which at liquidation employed 3,100 men.

Container group may spend £30m. on ships

BY JAMES McDONALD, SHIPPING CORRESPONDENT

ASSOCIATED CONTAINER Transportation (Australia)—the British containership group which broke away last year from a joint operation with Overseas Containers (OCL) and Continental operators—is considering the ordering of new containerships for its world-wide service.

If such a decision is made, it would involve at least two vessels, costing about £30m. between them, together with container "sets."

The decision on new capital investment may not be reached until next March. Mr. Jim Payne, managing director of ACT(A), said in London yesterday: "We are currently undertaking very detailed exercises on further investment in our independent service. It is much too early to say what these will show.

"Shipbuilding costs have risen steeply, like everything else, and I suspect that to build further units like we operate to-day will cost not far short of £15m. a ship with containers. This is about three times our original ship cost."

Mr. Payne was speaking at a lunch to celebrate the first anniversary of the independent ACT(A)—Australian National Line containership service, operating eight vessels—all built in West Germany. ACT(A) has as its member lines Ben Line, Blue Star, Cunard, Ellerman Lines and Harrison Line.

In its first year, he said, the service had reached "a state of reasonable profitability." That was of particular importance to its users in that the more profitable it was through organisational and operational abilities, the less was the need continually to seek higher charges through increases in freight rates. Regular rises had, "regrettably, been the pattern of the past."

He claimed that, in terms of freight rates, there was already some evidence of stabilisation in that the recent increase was "comparatively modest by past standards," and came after an interval of 18 months.

Mr. Payne retires as managing director of ACT(A) at the end of this year and will return to Blue Star Line as deputy chairman. He will be succeeded at ACT(A) by Mr. A. J. Macintosh, the present general manager.

Sadler's Wells drops tour

SADLER'S WELLS Opera has had to cancel its visit to the Europalia Festival in Belgium next week because of a management-union dispute. The company was to have performed two operas in Brussels, Antwerp and Mons—*Iolanthe* and *The Mines of Sulphur*.

The dispute concerns payment for dismantling scenery at the end of a performance. The unions wanted eight hours' double time for "get outs", which the company said should take no longer than two hours. The company offered a sum which would have meant that for the nine-day tour stage and wardrobe staff would have received in all between £68 and £140, according to grade, plus a daily touring allowance.

The company, however, refused to accept the principle involved, and as a result the tour has been cancelled. The British Council and the Arts Council have backed the company's decision.

A. Kershaw & Sons again heads profitability league

FINANCIAL TIMES REPORTER

A. KERSHAW AND SONS was top of the British business profitability league of Management To-day for the second year running.

The company achieved a "net profit to invested capital" ratio of 44.9 per cent., compared with the 35.7 per cent. of its nearest rival, A. W. Securities. In 1972 Kershaw had a figure of 50.4 per cent.

Increases in the company's earnings are almost entirely due to its 10 per cent. interest in Rank Xerox. The company is 80 per cent. owned by the Rank Organisation, with the remainder of its equity publicly held.

The average profitability of the companies included in the league table, published in yesterday's issue of the magazine, was 11.6 per cent. against 10.6 per cent. last year.

As in recent years, the top 50 list includes many retailers, with a very weak entry from large manufacturing groups.

Mr. Robert Heller, editor of Management To-day, pointed out that several of the companies earned less on shareholders' equity than is now available, tax paid on building society investments.

High interest rates, reflecting a heavy rate of inflation, indicate a situation where companies need a greater rate of return merely to preserve their real capital, he adds.

The league is compiled from the 200 leading companies measured by market capitalisation.

Lower brick production in August

Financial Times Reporter

LABOUR SHORTAGES and minor industrial disputes held birck production down to 545m. last month, 7m. fewer than in July and 36m. less than in August, 1972. Deliveries amounted to 547m., again below the levels of both the previous month and a year earlier, leaving stocks 2m. down on July at 152m.

The Brick Development Association called the figures, from the Department of the Environment, "a little disappointing." At the same time, it reaffirmed the industry was still very confident of reaching its target of 7,500m. bricks this year.

Cement production, seasonally adjusted, was 6.8 per cent. up on July and 19.3 per cent. up on August, 1972. An average of 392,000 tonnes a week was produced. Home deliveries came to 380,000 tonnes, unchanged from July, on a seasonally adjusted basis, but 11.1 per cent. up on August, 1972.

Cyril Smith loses vote for Liberal Party treasurer

BY RICHARD EVANS, LOBBY CORRESPONDENT

IN A closely fought contest with Mr. Cyril Smith, MP for Rochdale, Mr. Philip Watkins has retained the treasurership of the Liberal Party.

The ballot result announced yesterday followed an aggressive campaign by Mr. Smith to wrest the office from Mr. Watkins, the chartered accountant who was appointed early last year.

It was a contest partly based on an issue of principle—whether the Liberals should accept donations from industry, which Mr. Watkins opposed, or whether it should accept, gratefully, money from whatever source—the policy adopted by Mr. Smith.

Many young Liberals backed the stand of principle taken by Mr. Watkins, who did not want to see the party subject to pr[essures].

The new president-elect of t[he] Liberal Party is Mr. Arthur Ho[lt], MP for Bolton West from 19[..] to 1964. He was elected in [a] three-cornered contest agai[nst] Dr. Stanley Rundle, Liber[al] leader on the Greater Lond[on] Council, and Mr. Basil Goldstei[n], a councillor from King's Lynn.

Mr. Jeremy Thorpe, Libe[ral] leader, has invited Mr. Holt to [be] special liaison officer between [the] Parliamentary party and [the] Liberal Party organisation, b[oth] at headquarters and through[out] the country, in the run up to [the] next General Election.

Mr. Holt said yesterday he [felt] his role was "to foster a liv[ely] two-way flow of ideas between [the] party leadership and the party [in] the country."

Shortage of bottles likely to continue

FINANCIAL TIMES REPORTER

THERE IS little hope of an early easing of the bottle shortage hitting brewers and other users, the Glass Manufacturers Federation said yesterday.

Even though the glass container manufacturers are working flat out to meet demand, few new orders are likely to be accepted during the rest of this year, the federation warned.

Some brewers are known to be concerned about future supplies of both bottles and cans, partly because of an unexpected upsurge in demand in the take-home beer market as a result of the hot summer.

Problems

Both United Glass and Rockware, the two main glass container suppliers, have said they are meeting problems in satisfying demand.

One added danger underlined by the federation yesterday is that furnaces which would normally be shut down for maintenance purposes in the autumn have been kept open at the risk of higher maintenance costs later.

Demand for glass contai[ners] had been growing at aroun[d ...] to 4 per cent. annually over [the] past few years. In the first [...] months of this year total indu[stry] sales went up by 10 per c[ent.] Demand for beer bottles al[one] rose by 27 per cent., while [soft] drink bottle sales went up by [...] per cent.

Stocks, normally kept at a [...] level in the industry, have b[een] exhausted. Demand now [is] virtually being met straight f[rom] the end of the production [line], the federation said.

"Furnaces are normally [run] on a 24-hour, seven-day w[orking] basis, so it is not a questio[n of] extra shifts or more overtime.

Output doubled

"As it is, the expected incre[ase] in production rate has been [more] than doubled this year. Ther[e is] no more production capacity."

The situation appears to [be] much the same through[out] Europe. British companies [look]ing abroad for supplies have [had] little success.

"We have even had requ[ests] from European manufactu[rers] asking if we could help t[hem] out," the federation added.

Birmingham plan for 1976 furniture show

BY PETER CARTWRIGHT

THE BRITISH Furniture Manufacturers Federated Association, representing 550 furniture and bedding makers, is expected to hold its 1976 exhibition at the new £18m. National Exhibition Centre now being built on 300 acres near Birmingham Airport.

A letter of intent is expected to be signed at Birmingham Chamber of Commerce on Tuesday with the company formed to run the NEC, which includes the Chamber of Commerce and Birmingham Corporation.

The Association's exhibitions are among the largest at Earls Court, London, after the Motor Show. Next year's London show, in February, which will mark its silver jubilee, will cover 250,000 square feet and is already [virtu]ally sold out.

Some 26 per cent. of this [...] show space was taken by [...] exhibitors, and attracted [...] visitors from overseas.

Furniture shows in Europ[e are] generally held as interna[tional] exhibitions every other [year]. Although the 1974 U.K. exhi[bition] is in a fallow year, com[ing a] fortnight after the internat[ional] fair at Cologne, 17 per ce[nt. of] the space has been booke[d by] foreign firms.

The NEC has already bee[n suc]cessful in attracting other [inter]national exhibitions, inclu[ding] the Machine Tool Exhibition [and] is now well within sight of be[com]ing even as a commercial o[pera]tion.

Cornhill raising private car premiums 10%

CORNHILL INSURANCE yesterday became the latest motor insurance company to announce an increase in its private car premiums. Rises of 10 per cent. have been approved by the Department of Trade and Industry.

"The higher charges are the absolute minimum needed to cater for the rising costs of claims," the company said. They will apply to new business from November 1 but will not affect existing policies until January 1.

About 300,000 motorists insure with Cornhill, which had asked the DTI for an increase of 12½ per cent.

New chairman for Taylor Woodrow

MR. FRANK TAYLOR, aged [...] founder of the Taylor Wood[row] group, is relinquishing his p[osi]tion as chairman but will [con]tinue as managing director, [the] company announced yester[day]. He started the business 62 ye[ars] ago when he built two hou[ses] in Blackpool.

The new chairman, with ef[fect] from January 1, 1974, will [be] Mr. R. (*Dick*) G. Puttick, a[ged] 57, a member of the ma[in] Board of Taylor Woodrow si[nce] 1969 and a joint deputy ch[air]man since April, 1972.

He joined the Taylor Wood[row] group in 1940.

See the Flying Horse at the CHINESE EXHIBITION Royal Academy

Sponsored by The Times and Sunday Times.

This early bronze "celestial horse" of China, poised in mid-flight with one hoof touching a swallow's back, is 17 centuries old.

One of a collection of treasures never before allowed outside The People's Republic of China.

From 29 September 1973 to Wed 23 January 1974. (Closed Christmas Day and Boxing Day).

29 Sept–9 Nov Mons 4-9 pm, Tues–Suns 10-9 pm
10 Nov–23 Dec and 14-23 Jan Mons 4-7 pm, Tues–Suns 10-7 pm
24 Dec–13 Jan daily and Suns 10-7 pm

Admission: Adults 60p. Children, Students and Old Age Pensioners 30p.

Last admissions about one hour before closing times.

TRIDENT MANAGED PORTFOLIO

Now Trident invite you to get in n the ground floor of Britain's most ophisticated new bond investment

o matter how successful you consider yourself as a judge of what will or won't make r, a small and highly exclusive section of people in this country have always enjoyed a cant advantage over you.

ese are the people with upwards of fifty thousand pounds to invest. They're the ones s private clients of top class City merchant banks, stockbrokers, property specialists and nners have been able to benefit from the highly successful investment advice offered by experts. And they're the ones who, because of the quality of advice they've received, een able to make money more safely and consistently than you.

e believe the time has now come for a change.

e Trident Managed Portfolio offers everyone with capital to invest the opportunity e money in the same way as they would as private clients of a specialised City invest- ouse.

does this by offering you the services of some of the most accomplished investment s in the business.

d it lets you decide at the outset exactly how you want your Portfolio run by giving you tion to invest part or all of your money in up to five specialist Funds.

you prefer to leave the whole problem of changing market conditions to our investment ers, for example, then all you need do is select our Managed Fund. If you need the ecurity of a guarantee, the Guaranteed Managed Fund offers a high minimum return e likelihood of further growth on top.

n the other hand you prefer to take over the reins yourself, you have five Funds–Property, High Yield, Managed and Guaranteed – at your disposal.

ere are a number of further options and advantages offered by the Portfolio. Including ıbstantial backing by the £400 million international Schlesinger Group.

gether, they make up what is probably the most comprehensive, flexible bond ment now available.

is is the first ever public offer of the Trident Managed Portfolio.

think it will set the standard by which other bonds will be judged.

TRIDENT MANAGED PORTFOLIO

The Trident Managed Fund | The Trident Guaranteed Managed Fund | The Trident Equity Fund | The Trident Property Fund | The Trident High Yield Fund

How does the Managed Portfolio work?

hen you invest in the Trident Managed Portfolio your money, together with that of other investors, is put in the Fund or Funds ur choice. Each Fund is divided into units of equal value, and the whole of your investment is used to purchase units at their nt offer (buying) price.

e units will be accumulation units. This means that income from the underlying investments of each Fund is automatically rein- d—less tax at the rate applicable to assurance companies and the relevant management charges—to increase the value of your tment.

nd although there is obviously no guarantee that your Portfolio will increase in value (unless, of course, you choose the Guaranteed aged Fund), we have a great deal of confidence in the ability of our managers to make your money grow in the medium to long Here are details of the five Funds which make up the Portfolio:

The Trident Managed Fund

his Fund is primarily designed for investors who prefer ave the management of their money to our team of rts.

ntially, 15% of the Fund will be invested in our Equity l, 25% in our Property Fund, 25% in our High Yield l, and the rest in high yielding deposits.

hese proportions will be changed by the managers as omic conditions change.

ur investment managers will use their specialist knowledge aximise capital growth on your behalf.

e Trident Guaranteed Managed Fund

ere, investment is primarily in convertible debentures and ertible loan stocks, in straight fixed interest securities and, lesser extent, in equities.

he guarantee is as follows: after 10 years, the *minimum* n you can expect is 160% of your original investment. r 20 years, the *minimum* return you can expect is 250% of original investment.

ut we would emphasize that these are *minimum* returns; amount you receive when you finally cash in should there- be well in excess of these figures.

Having chosen this Fund, you cannot later decide to switch nother Fund — unless you transfer the whole of your ing in the Fund — neither can you change to it from her Fund. And the Fund is not available for people ing to withdraw income or to use the "freezing" facility under "How can I freeze my investments?").

The Trident Equity Fund

his is an *international* Portfolio, primarily of ordinary es, and designed for long term growth of capital and me.

0% of the initial Portfolio will be invested in well aged investment trust companies, taking advantage of the ent discount on asset values.

The geographical split of the initial Portfolio will be approximately:—

U.S.A.	35%
U.K.	20%
Worldwide, including cash	25%
Investment Trusts	20%

The Trident Property Fund

This Fund invests primarily in a well balanced spread of first-class commercial, office and industrial properties. Its objective is to achieve sustained growth both of income and capital value; where appropriate, advantage will be taken of highly selective development projects.

In common with most property funds, we reserve the right to delay payment on cashing in (but not on death) by up to six months. This would only be done to avoid having to sell property disadvantageously in the unlikely event of an unexpected high rate of withdrawals.

National Westminster Bank Limited will supervise the Property Fund valuations; they have appointed Messrs. Jones, Lang, Wootton, chartered surveyors, as independent valuers.

Each property is revalued at least once a year, and the Fund as a whole is revalued on the last day of each month.

As a final safeguard for your investment, our Property Fund is controlled under a Deed of Constitution.

This means that the way the Fund is run and the assets managed is strictly controlled to your advantage. Copies of the Deed and of the letters of appointment of National Westminster Bank Limited as supervisors and of Messrs. Jones, Lang, Wootton as independent valuers are available on request.

The Trident High Yield Fund

The aim of this Fund is to achieve a high yield on a Portfolio of convertibles, fixed interest securities and equities.

Initially, 60% of this Fund will be invested in fixed interest stocks (mostly with short redemption dates) to take advantage of current very high interest rates; 20% in high yielding equities; and 20% in interest earning deposits.

This Fund is particularly suitable for people who wish to draw regular income via our Automatic Withdrawal Plan.

Who invests my money?

The day to day management of all the Portfolio's Funds, except the Property Fund, are the responsibility of Peter Baker, M.A., A.C.A., Schlesinger's U.K. Group Investment Director.

He was previously an assistant director at a leading City merchant bank, where he specialised in the management of major institutional portfolios. In managing the Funds, he will ensure that investors benefit from the extensive worldwide contacts of the £400 million international Schlesinger Group.

The purchase and management of properties is in the hands of a property management company, led by Manfred Gorvy, F.C.A. As well as being an executive director of SOREC Limited, a quoted property development company, Mr. Gorvy is also joint managing director of the successful Dorrington Investment Company Limited.

The proportion of the two Managed Funds to be invested in the other Funds is decided by an investment panel chaired by Gordon Scott, Managing Director of Trident. The investment panel consists of:

Gordon Scott, Chairman
Peter Baker, M.A., A.C.A.
Manfred Gorvy, F.C.A.
Allan Duggin, F.I.A., A.S.A.

How can I switch Funds?

You may inform us at any time that you wish the benefits of your Bond to be switched to any one or more of the Funds (except the Guaranteed Managed Fund) in proportions decided by you – provided that this would not result in units worth less than £200 being allocated to any one Fund.

So that you won't have to bear the initial charge on any switching of Funds after your Bond has commenced (see under "Management Charges") the adjustment in the number of units allocated to your Bond after switching will be calculated on their bid (selling) value, and on the bid value of the units previously allocated to your Bond.

On switches *after* the outset however, there will be an administrative charge based on the bid value in every case of the units being re-allocated to each individual Fund, counted separately as follows: £10,000 or over: no charge for the first switch in any calendar year, thereafter ¼%. Less than £10,000: ½%, subject to a minimum charge of £10.

How can I "freeze" my investments?

To do this, all you need do is tell us that you wish to "freeze" the value of part or all of the units (minimum £200) allocated to your Bond by having their cash equivalent put in a separate Fixed Account.

The charge for this facility is £5. Interest is not payable on the Account, and the amount held in Fixed Account is not affected by any change in unit values. If you then decide to switch back into one or more Funds, you can do so at the relevant bid price. This switching back is subject to an administrative charge as detailed in the last paragraph of the above heading.

How about life assurance?

At no extra cost, your Bond normally provides that if you die, your estate will receive a greater amount than the cash value of your investment. But if your life cover has to be reduced for any reason, this will not affect the amount invested in units on your behalf. As soon as your application is processed, your money will be invested in units at their current price, even if your life cover is delayed for any reason.

Examples of how much the benefit is worth are given below.

Life Assurance Benefit			
Age at death	Amount of death benefit for each £1,000 of the Cash Value	Age at death	Amount of death benefit for each £1,000 of the Cash Value
35 and under	£2,500	56–60	£1,110
36–45	£1,900	61–65	£1,070
46–50	£1,300	66–70	£1,040
51–55	£1,200	71 and over	£1,010

Can I borrow against my Bond?

Yes. So that you do not need to cash part or all of your Bond early, we have arranged with Western Bank Limited that they would normally be prepared to grant loans worth up to 80% of the current cash value of your Bonds (65% if you are wholly invested in the Equity or High Yield Funds). This loan will be subject to their normal rates of interest, and the minimum amount you can borrow is £1,000. Loans are not normally available while a Withdrawal Plan is in operation.

Tax Benefits

Basic Rate Tax. You have no personal liability whatever in respect of rentals, dividend or interest income earned by the underlying investments of the Funds. Tax at the life assurance company rate is, however, paid by us out of the income from these investments.

Capital Gains Tax. Again you have no personal liability, because tax on capital gains is payable out of the assets of the appropriate Fund. Unit prices are adjusted to allow for this and you don't need to keep records.

Higher Rate Tax. If applicable in your case, a liability to "higher rate tax" in excess of the base rate of 30%, plus the 15% surcharge on investment income in excess of £2,000, may arise either when your Bond becomes a claim by death or surrender or is assigned for value.

But the "top slicing" provisions of the 1970/71 Finance Acts will substantially offset this liability.

If you are a higher rate taxpayer and draw income via the Automatic Withdrawal Scheme (see "Draw a regular income" box), you will be liable in any one year for the "gain" element contained in the withdrawal for *that year: here again the "top slicing" provisions will lessen the liability.*

A special facility is available for high rate taxpayers. Details are available on request.

Can I follow my Bond's progress?

Yes – at any time. Your Bond document tells you exactly how many units you have been allocated; the current bid value of units is published in *The Times, Financial Times, Daily Telegraph* and other leading national newspapers. To give your Bond a precise value, simply multiply one by the other. You should however appreciate that the value of units can fall as well as rise. But we are confident that the long term trend will be strongly upwards.

How can I cash in my Bond?

You can cash your Bond at any time for the full bid value of all the units then allocated – plus any sum that has been "frozen". The unit price includes an allowance for our liability to tax on capital gains, and no further deduction is made. The cash in price will be the ruling price on the Thursday after the date that encashment is requested.

Who are Trident Life?

We're an established and highly successful insurance company, owned and backed by the £400 million international Schlesinger Group, whose interests include banking, property and finance.

What are the management charges?

The offer price of units includes an initial charge of 5%, plus a small rounding up charge on unit trust principles. We also receive an annual charge of one half of one per cent of the value of the Fund, charged monthly: this is deducted within the Fund. These charges only apply *once* in respect of any investment. There is thus no double charging.

In addition, expenses which are directly attributable to each Fund are deducted from it. But with the exception of the Property Fund, the only expenses are the normal costs of purchase and sale of investments.

The Property Fund also has the following expenses which are directly attributable to its properties. (i) The professional remuneration of the property managers and other expenses of managing and maintaining the properties. (ii) The fees of the independent valuers. (iii) The fees of the National Westminster Bank Limited.

Draw a regular income

So long as you invest at least £1,000 in Bonds, you can use the Automatic Withdrawal Plan to provide yourself with income. This will be provided by cashing sufficient of the units allocated to your Bond – at bid price – to produce the requisite amount. Your guaranteed life assurance cover will then be reduced proportionately. Withdrawal payments will normally be made yearly or half-yearly on the 6th day of the appropriate month. Monthly and quarterly payments are also available for initial investments of £6,000 and £4,000 respectively.

Provided that the capital growth and reinvested net income of your units, after allowing for capital gains tax and other costs, is not less than the percentage you withdraw, the value of your Bond will grow even after you have withdrawn your income.

To take advantage of this Plan, mark the box in the application form. Alternatively, if you wish to take advantage later, simply write for the relevant form.

The Trident Managed Portfolio offers you:

- Investment by experts, taking advantages of opportunities for sound growth in property, equities and fixed interest securities.
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Signature

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COMPANY NEWS + COMMENT

Anglo-Thai beats forecast with £3.3m.

Profits of Anglo-Thai Corporation have expanded to £3,283,957 in the year ended March 31, 1973, compared with the estimate of not less than £2.9m. and with £1,745,393 for 1971-72.

Profits include exchange gains of £250,737 (£177,618 loss).

The dividend is raised from 13 per cent. to 15.75 per cent. gross. The final is 8.225 per cent. net—equal to 11.75 per cent. gross. A one-for-five scrip issue is also proposed.

After tax £1,151,133 (£676,370), the net profit is £2,132,824 against £1,060,622, of which £2,120,773 (£1,065,411) is attributable.

o comment

Anglo-Thai has had a bumper second half. Profits for the year are 87 per cent. ahead pre-tax after growth of just 14 per cent. mid-term, putting the group 13 per cent. ahead of the £2.9m. minimum forecast in March. The currency swings have plainly worked in Anglo-Thai's favour, but ignoring this bonus still leaves the year's profit very nearly three-fifths higher. At 202p the group's shares sell at a considerable discount on the other Far Eastern traders, for the p/e is now down to around 5 times, fully-diluted or perhaps 10, taking a guess at net earnings. Harrison and Crosfields and Inchcape both rate double-figure historic multiples.

INDEX TO COMPANY HIGHLIGHTS

£1m. target for Beatson Clark

THE DIRECTORS of glass container manufacturers Beatson Clark and Co. expect the 1973 second half to yield pre-tax profits similar to the £537,000 last time, which with 1973 first half now announced of £564,000, compared with £338,000, would lift the year's figure past the £1m. mark. Last year's total was £895,000.

The interim dividend is 2.1p gross (2p), declared as 1.47p net, the 1972 payments totalled 3.25p gross.

Depreciation has been calculated on a new basis of a uniform 25 per cent. a year. On the old basis the first half-year's profits would have been increased by £25,000, the directors state.

An additional machine line has been brought on stream this month and a further machine line will be introduced early next year.

	Half-year 1973 £000	1972 £000	Year 1972 £000
Sales	[illegible]	3,055	6,457
Home	3,005	2,665	5,354
Export	[illegible]	430	1,0[illegible]
Profit before tax	564	338	895
Taxation	189	109	294
Net profit	375	229	601
Dividend	62	85	192
Retained	313	143	410

o comment

Despite a 67 per cent. jump in pre-tax profits, Beatson Clark's first-half performance failed to inspire any reaction in the market yesterday and the shares remained unchanged on the results at 123p. This is probably because of the forecast of unchanged second-half profits which suggests that the group will be unable to maintain either its improved margins—up 3½ per cent. points to 14.7 per cent. in the first six months—or its volume growth for the year (first-half sales rose by 23 per cent.). In fact, margins had already started to slip in the first half, despite the improvement over the corresponding period (in the second six months of last year the group's profit margins were 16.6 per cent.), and, given that there is a substantial wage increase scheduled for the second half, the decline looks set to continue. So at 123p, the shares on a net prospective p/e of 9.2 seem fully valued.

Neville lifts profit to £1.14m.

NET EARNINGS per 25p share of the Neville Group rose from 7.64p to 13.56p for the year to March 31, 1973, the directors state. Pre-tax attributable profit climbed from £632,000 to £1,140,000 on turnover, including that of G. R. Dawes and Co., down from £9.59m. to £7.74m.

A 20 per cent. final dividend, declared as 14 per cent. net., maintains the total gross payment at 30 per cent.

The share of Centreway Securities' profits attributable to the group for the 1972-73 period is £282,000.

	1973 £000	1972 £000
Turnover*	7,709	9,5[illegible]
Trading profit	949	727
Share of Associate	28	—
Minority interest	91	75
Pre-tax profit	1,140	632
Taxation	406	218
Net profit	734	414
Extraordinary credit	249	‡187
Attributable	983	257
Dividends	185	207
Retained	798	50

* Excluding G. R. Dawes. † After deductions £34,384 (£27,710) attributable to minorities. ‡ Debit.

The extraordinary items in 1972-1973 are the net of the realised portion of profits and losses, after taxation, arising from the sale of the shares in S. Edge and Sons, St. John's House (Wolverhampton), Covent Elliott and the group's share of the extraordinary items of Centreway Securities.

Since March 31, the group has disposed of its investments in Country Kitchen Foods, Auto Precision and Segmatic. The full year's trading for these companies are included in the figures.

Neville's listing was suspended in July, and the directors state that steps are being taken to secure re-instatement of the quotation at the earliest possibe time.

Highlight Sports meets target

Highlight Sports profits before taxation for the 59 weeks ended May 19, 1973, were £553,266, compared with £524,363 for the year ended March 31, 1972. Earnings per share fell from 8.05p to 4.82p, the directors state.

The 1973 figures include a loss on Joncraig Holdings of £8,000.

A final dividend of 21 per cent. net—30 per cent. gross—has been recommended, making a gross total of 41.25 per cent. Last year's comparable figures were 28.75 per cent. and 40 per cent., adjusting for the one-for-one scrip.

Mr. Sidney Solomons, chairman, has waived his entitlement to the final dividend in respect of 2,048,906 Ordinary shares.

Mr. Solomons says that although the results are disappointing in relation to the original targets, they are in excess of the forecast made in March 1973 of £530,000 before taxation attributable to Highlight (excluding Joncraig and its subsidiaries).

As already announced the loss making retail division of Joncraig has been sold. In addition the Blouse manufacturing unit has now been merged with the Highlight blouse and shirt division and is operating at a profit.

The directors expect that as a result of these changes Joncraig will be making profits as originally projected and contribute substantially to group profits in 1973-74. Problems which arose at Highlight in the Spring have been eliminated and the Board is confident that there will be a resumption of growth in the current year.

The report and accounts will be posted to members on October 24 and the annual meeting will be held on November 16.

Ransomes Sims up at halftime

THE IMPROVEMENT in half-year pre-tax profit—from £385,000 to £524,000—by Ransomes Sims and Jefferies would have been greater but for legislation which delayed price increases until after June, the directors state.

The increases were required to offset previously established wage and salary increases and to offset material cost increases which continued significantly throughout the period, they add.

Sales for the six months reached £7.86m. (£6.27m.). In 1972 sales were £18.3m. and pre-tax profit was £1.02m.

The interim dividend is 2.1p net, equal to 3p gross. Last year there was a single payment of 8p gross.

After tax £249,000 (£154,000), net profit for the first half was £275,000 (£231,000).

• comment

The effects of demand for farming equipment have at last come through to Ransomes Sims. While companies like Rotary Hoes and Bamfords were moving ahead strongly last year, Ransomes was suffering from cost increases biting into margins. The first half, however, has seen the joint benefits of price increases and gearing-up for higher production, with a 36 per cent. pre-tax advance in profits on the back of sales increased by a quarter. Taking a line through first-half growth suggests a prospective p/e of 13.6 at 200p, fairly well in line with the sector.

Reeves Dryad to advance

In the half year ended June 30, 1973, profits of Reeves Dryad increased from £108,700 to £166,000, on sales of £2.72m. against £2.35m. The 1972 figures have been adjusted to reflect the merger with Dryad.

Earnings per 25p share are stated at 2.58p taking account of past tax losses, or 1.88p assuming a normal tax charge.

In the May statement by chairman Mr. D. C. Hackett he stated that he was confident that the combined trading profits achieved in 1972 would be appreciably exceeded in the current year.

He now reports that in addition to the continuing rationalisation of the Reeves' operations, excellent progress has already been made towards the achievement of the considerable benefits, particularly in the marketing areas, that arise from the merger.

Taking account of this and the current high level of order books, Mr. Hackett is confident that the trend of the first half will be continued into the second, the results of which are invariably more favourable.

In view of the encouraging results, 3.5 per cent. net — 5 per cent. gross — is declared. This is the first Ordinary dividend since 1970 (when 3 per cent. was paid), and Treasury permission has been obtained.

Adwest ahead by £448,000

RECORD PROFITS for the 11th successive year are turned in by the Adwest Group. At £2,559,000 the pre-tax figure for the year ended June 30 1973 shows an increase of £448,000 on 1971-72.

The dividend is raised from 8p per 25p share to a gross equivalent 8.4p. The final is 4.13p net—equal to 5.9p gross.

	1972-73 £000	1971-72 £000
Turnover	16,727	13,400
Trading profit	2,637	2,274
Profit	2,559	2,111
Taxation	1,171	861
Minorities	53	75
Attributable	1,391	1,177

Extraordinary profits (after tax) of £466,000 (£28,000) not included will be taken to capital reserves.

Group interests are in engineering, agricultural and industrial, and electrical manufacture.

• comment

Starting its second half with a better order position, Adwest Group was expected at least to hold the mid-term growth rate of 20 per cent.: an overall increase of 21 per cent. therefore holds few surprises. For the current year, however, the trading climate does not look so bright. Apart from a major strike at its Reading depot, the company is a substantial supplier to the motor industry—accounting for about 50 per cent. of Adwest's business—where there is not only a big question-mark over demand but also a fair share of labour troubles. Admittedly, the company has other sectors to fall back on and it is fair to point out that the electrical side is pushing ahead; but, overall, the consistent earnings record could be tested this year. In view of this, a 13.9 net and fully-diluted p/e at 230p looks high on a trading basis; but the substantial property at Woodley, estimated to be worth close on £15m. against a company capitalisation of £17.3m., must surely call the tune.

Greenwood & Batley back in profit

On turnover down from £3,683,264 to £1,187,387, Greenwood and Batley, Leeds-based engineers, has turned the previous year's loss of £322,900 into a pre-tax profit of £104,129 for the 12 months to March 31, 1973.

After tax up from £3,700 to £43,730 and extraordinary items down from £343,403 to £2,004, the previous net loss of £670,003 is replaced by a profit of £62,403.

Earnings per share are shown at 4.3p, compared with a loss of 23.4p in the previous year.

No final dividend is proposed. Interims totalling 10 per cent. gross have already been paid, compared with 3 per cent. for the previous year.

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Aberdeen Constructn. int.	1.46†§	Dec. 14	2.08	—	3.25
ADM Business Systems	27.5	Nov. 16	27.5	42.5	43.5(o)
Adwest	5.9†(a)	Nov. 3	5.5	8.4	8
Anglo Thai Corp.	(11.75d)	Nov. 8	11	15.75	15
Beatson Clark int.	2.1†(c)	Jan. 3	2	—	5.25
Calcutta Electric	6	Nov. 30	2	10	10
Economic Insurance int.	3.5§	Nov. 2	5	—	14
English & Caledonian int.	0.93†(q)	Nov. 16	0.88	—	2.5
H. Goldman int.	0.77†§	Nov. 23	1.1	—	2.75
Highlight Sports	30(b)	—	*28.75	41.25	*40
Hoskins and Horton int.	1.68†(m)	Jan. 1	1.6	—	4.04
Laporte Inds. int.	4†(p)	Jan. 4	—	—	3.75
Geo. Mallinson int.	0.53†§	Nov. 12	0.75	—	2.53
Neville Group	20(j)	Nov. 20	—	30	30
North Brit. Canadian int.	0.5†(r)	Oct. 19	4	—	10
Petbow Holdings int.	1.75(e)	Jan. 3	—	—	2.5
Ransomes Sims int.	3†(g)	Jan. 1	—	—	8
Reeves Dryad int.	5(k)	Jan. 2	Nil	—	Nil
Renong Tin	12†	Nov. 20	12	16	16
Richardson Smith int.	1.6†(s)	Oct. 29	1.5	—	2.63
Royal Sovgn. Pencil int.	5.77(f)	Nov. 15	5.5	—	11.28
Shipping Industrial int.	3.57†(h)	Jan. 7	—	—	9.19
Tilley Lamp	4†(n)	—	3.75	5.25	5

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and/or acquisition issues. § Net—equal to last year's gross. (a) Gross of 4.13p. (b) Gross of 21 per cent. (c) Gross of 1.47p. (d) Gross of 8.225 per cent. (e) Gross of 1.225p. Final of 3.5p gross foreshadowed in offer for sale. (f) Gross of 1.01p. (g) Gross of 2.1p. Single payment of 8p gross last year. (h) Gross of 2.5p. Single payment of 9.1875p gross last year. (j) Gross of 14 per cent. (k) Gross of 3.5 per cent. (m) Gross of 1.176 per cent. (n) Gross of 2.8p. (o) Including 1 per cent. as compensation for deferred payment. (p) Gross of 2.8p—net final of 1.89p, forecast. (q) Gross of 0.65p. (r) Gross of 3.5p. (s) Gross of 1.12p.

BIDS AND DEALS

Robt. Warner to get £14m. approach

A battle broke out last night over Robert Warner, the warehousing, shipping and forwarding agency group which owns property beside the Thames in an area already being substantially redeveloped.

Investment and Property Holdings, the former Glasgow Heritable Trust which has been revamped by Mr. Barry Abbott and three other ex-Bovis men, said it will make a cash offer putting a value of £14m. on Warner.

But within an hour, the Warner directors and their financial advisers, N. M. Rothschild, had rushed out a statement urging shareholders to take no action—a sure indication that the offer will be rejected.

IPH already has about 29 per cent. of Warner, most of it bought last July from Kingside Investment Company for 935p a share. Now IPH, through advisers Wm. Brandt's, intends to offer £11.59 cash a share for the rest of the equity. This compares with the £10.50 at which they have recently been changing hands.

LONRHO

Shares in Lonrho rose 3p to 92p at one stage yesterday on reports that Kuwaiti interests are in the process of building up a shareholding in the group. By the close the price had settled back to 89p.

The build-up of overseas shareholders plus the fact that Lonrho gets around 97 per cent. of its earnings from overseas has once again raised speculation that the group will move its domicile from London to somewhere overseas, probably Nairobi. But a spokesman described this last night as "pure speculation."

Meanwhile Mr. R. W. "Tiny" Rowland, Lonrho's chief executive, has become president of Lonrho's 50 per cent. owned Belgian subsidiary Cominiere, and Mr. Litho-Moboti has become vice-president.

Cominiere has extensive interests in Zaire and Mr. Moboti is the uncle of Zaire's president Joseph Mobutu. Mr. Moboti has also been appointed president of a new Lonrho subsidiary, Lonrho (Zaire) which will look after the group's various interests in that country.

These include a stake in a consortium which has been carrying out feasibility studies on part of a planned £200m. railway from Katanga to the Atlantic port of Banane.

BLAKEY'S STAKE CHANGES HANDS

Estates and General Investments has sold its approximate 22 per cent. stake in Blakeys Malleable Castings to Centreway Securities (formerly Hermetic Rubber Co.) at slightly under yesterday's market price of 39p, it is understood.

A spokesman for Centreway said: "It is too early to indicate our plans for the company."

Blakey's shares rose 5p to 38p on Thursday.

UDT WITHDRAWS BRITISH STEAM BID

British Steam Specialties, the pipeline group headed by Mrs. Helen Waudby, has succeeded in its fight to remain independent.

Last night United Dominions Trust subsidiary, UDT Industries said it was withdrawing its £6m. bid because it had not received enough acceptances.

British Steam also beat off a rival offer from Bestobell.

News of UDT's withdrawal saw the British Steam price down 2p to 92p.

Mr. Selmes' offer for Grendon unwelcome

Grendon Trust, the property and industrial company, yesterday indicated that it would not welcome the 295p-per-share bid being arranged by Eastminster, Mr. Christopher Selmes' private company.

Grendon said the cash offer was "significantly below" its board's estimate of the value of net assets. The group is advising shareholders to take no action for the moment.

Eastminster announced on Thursday evening that, acting with others, it had acquired 40.8 per cent. of Grendon, and would be procuring a bid for the minority. Directors and families at Grendon are thought to control about 35 per cent. of the company.

In the stock market yesterday, Grendon's shares, which opened at 300p, fell back at first, but recovered sharply later to finish at 310p. Mr. Selmes, 28, is also on the board of the quoted Dowgate and General Investments concern, but Dowgate has said there is no connection between it and Eastminster.

HAWTIN £10M. LOAN APPROVED

An "overwhelming majority" of shareholders in the banking and finance group, Hawtin yesterday approved a £10m. loan from the U.S. conglomerate Gulf and Western.

On a postal vote 81 per cent. of the holders voted for the approval of the loan and at a special meeting it was also passed on a show of hands.

The terms of the loan are such that associates First Capital Corporation a wholly-owned-subsidiary of Gulf and Western could eventually end up with a 43.5 per cent stake in Hawtin.

DRAYTON TO MERGE SIX TRUSTS

The Drayton Group is to merge six of its investment trusts into two larger trusts which will have assets of £71m. and £60m. respectively.

It is proposed that Second Consolidated Trust will absorb the Consolidated Trust and the Municipal Trust Company to form the bigger of the two new combines.

The Premier Investment Company will absorb the Omnium Investment Company and the Governments Stock and Other Securities Investment Company, one of the oldest trusts in the U.K.

Included in the portfolios of the trusts are shares in the Drayton Group itself. The six trusts, with three others managed by Drayton, between them hold 100 per cent. of the Drayton Group shares.

The proposed terms of the mergers have been based on the net assets position of the companies at June 30, 1973, and details will be circulated as soon as the directors of the Court in respect of a Scheme of Arrangement have been obtained. It is expected that details will be given in November.

A Drayton spokesman maintained yesterday: "It seems to be the fashion to-day to move into bigger units which are more economical to operate. It also tends to improve the marketability of the shares of the trusts themselves."

All the trusts are managed centrally by Drayton so the rearrangement will lead to no changes. However, in order to formalise the existing situation, Drayton has formed a wholly owned subsidiary Drayton Portfolio Management to carry out the investment advisory functions of the group.

SHARE STAKES

As a result of additional purchases of shares, Wood Hall Trust now has an interest in 2,070,000 Ordinary shares (12.34 per cent.) in Pauls and Whites.

Illingworth Morris and Company has acquired a further 50,000 Ordinary stock units of Hield Brothers bringing its total interest to 3,084,500 Ordinary units.

Interests of Slater Walker Securities and its subsidiaries together with investment Trusts etc. in the Rockware Group as at September 12, was 4,815,400 Ordinary shares (29.73 per cent.)

Interest of Slater Walker Securities on September 7 in Slater Walker Australian Investment Trust amounted to 722,500 Ordinary shares (12.04 per cent.) following the purchase of 222,500 shares.

Charter Consolidated Group's interest in Beralt Tin and Wolfram now totals 5,460,452 shares following the sales by a subsidiary of 30,000 shares.

Interests of Slater Walker Securities and its subsidiaries together with investment trust etc. in Charles Spreckley Industries as at September 12 were 8,538,561 Ordinary shares (35.31 per cent.).

RELIANCE HOSIERY

In a formal document giving details of the acquisition by Reliance Hosiery (Halifax) of Drewry and Edwards and James MacFarlane (Kilmarnock), the directors of Reliance say they propose to extend the current financial period to next April 4 and provided the acquisitions are approved they anticipate that the combined pre-tax profits of the enlarged group for that period will be not less than £730,000. On this basis it would be intended to pay a net dividend of 2.52p equal to 3.6p gross.

Referring to cash offer on behalf of Ashley Industrial Trust to acquire Reliance the chairman of Reliance says the courses of action open to shareholders of Reliance are: To accept the offer, or to sell their shares in the market, or take no action and to remain shareholders of Reliance.

UNIT TRUSTS

Target launches COL plan

The Target group has launched its Cost-of-Living Realisation Plan linked to its Income Fund. Basically, it is a withdrawal plan under which you select between 5 and 8 per cent. tax-paid income a year, and thereafter the income rises with the increase in the Retail Price index. Minimum investment is £250 and units will be allocated at 25.3p each until October 5.

• comment

An investment linked to the COL has been a controversial subject since the Page Report on National Savings suggested the Government investigate the possibility of forming one. Now Target has been the first unit trust company to offer one to the public through its COL Realisation Plan. It should appeal to investors who want their income to keep pace with inflation. But one should bear in mind that the income is drawn from the dividend (yield now about 5.8 per cent.) and the capital sum. So if the retail price index soars, the inference is capital depletion. Target's Income Fund has not had a very good record and 1973 is the first of the past four years in which it has outpaced the FT All-Share index. Higher-rate taxpayers might be better off taking a withdrawal plan on a growth fund with a low yield.

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SAVE & PROSPER INTNL. FUNDS

Save and Prosper Securities is providing a choice of investment opportunities for a lump sum investment starting at £50 in its European Growth Fund, Japan Growth Fund and U.S. Growth Fund. There is also a facility through the Save-Insure-and-Prosper Plan to invest monthly sums from £5 and get some tax relief and life cover.

• comment

S and P's European Growth Fund holds second place in the 1973 G. S. Herbert tables with a 20.4 per cent. appreciation. Having mastered the currency dilemma, the fund has been in the forefront of all European funds since 1970. But prospects for Continental shares are now looking doubtful. The Japan Growth Fund has been one of the most successful in recent years on the back of a strong bull market in Tokyo, but that market has turned down despite continued economic growth in Japan. So, although medium prospects are good, the near-term may not produce outstanding results. U.S. Growth Fund has been near the bottom end of the tables for some time and the performance has been affected by the price of the dollar and $ premium. But the outlook for Wall Street now appears favourable.

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M & G INTNL. BONDS

M and G International Bonds are being advertised by M and G (Trust) Assurance for a minimum investment of £250. Next subscription date is October 4. For investors of £1,000 or more there are various withdrawal plans. Regular monthly investing is also provided and this attracts some tax relief and life cover of 180 times the monthly premium, which is a minimum of £5.

• comment

M and G International Bonds are almost exclusively invested in equities through the wide range of M and G unit trusts investing overseas. These trusts have generally had a good perform[...] and should give solid suppor[...] the bond. From a tax poin[...] view, however, a direct in[...]ment in unit trusts is better. [...] value of this Bond will [...] when the overseas property [...] is built up, thus providing a h[...] against bear trends in equitie[...]

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TRIDENT MANAGED

Trident Insurance is advert[...] the Trident Managed Port[...] which consists of five f[...] Managed, Guaranteed Man[...] Equity, Property and High Y[...] The Managed Fund will inve[...] the Equity, Property and [...] Yield Fund and the Guara[...] Managed Fund mainly in [...] interest and convertibles. [...] fund guarantees a mini[...] growth of 160 per cent. ov[...] years. Minimum investmen[...] £200 or £1,000 with a withd[...] plan.

• comment

Trident Managed Portfolio of[...] flexible package to suit [...] investment needs for the s[...] conscious investor. The com[...] has no real track record by w[...] to gauge its performance, b[...] investment department has [...] set up under Mr. Peter B[...] formerly of Rothschild Bank [...] Property and Managed Fund[...] vide a good vehicle for s[...] growth. For ultra-conserv[...] investors there is the Gaura[...] Managed Fund, while for [...] seeking secure income the [...] drawal plan on the High [...] Fund might be attractive.

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FIDELITY INCOME BONDS

Fidelity Life is advertisi[...] Five-Year Secure Income [...] for a minimum investme[...] £500. The annual return [...] least 10.12 per cent. dependi[...] age at entry and this is net [...] at 30 per cent.

• comment

Fidelity Five-Year Secure In[...] Bond provides one of the hi[...] returns on the market an[...] cludes a guarantee on bot[...] income and capital over five [...] The return is considerably h[...] than the 7.25 per cent. offer[...] building societies and com[...] favourably with other form[...] fixed-interest investments. [...] the investor feels that in[...] rates will go higher, this [...] is a suitable product for [...] needing income. There i[...] course, no protection of [...] capital sum against inflatio[...]

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HILL SAMUEL MANAGED

Guaranteed growth of at [...] 150 per cent. over ten year[...] 225 per cent. after 20 ye[...] offered by Hill Samuel Life [...] Fortune Managed Bonds. [...]mum investment is £500 or [...] for the withdrawal scheme.

• comment

Fortune Managed Bonds inv[...] the Hill Samuel Property [...] in the group's range of unit [...] and also in fixed-interest s[...]ties. This mix should prov[...] steady, if unspectacular i[...]ment over the long term. [...] investment of £1,000 made [...] years ago in the Property [...] would now be worth [...] according to Money Manage[...] The unit trusts have en[...] steady but not strong grow[...] late.

Prospectus Page 3

Laporte recovers to £3.3m. at midway

REFLECTING FURTHER recovery, profit of Laporte Industries have moved up from £1.11m. to £3.03m. in the 28 weeks ended July 1, 1973. This brings them to within some £60,000 of the total for the whole of 1972.

Earnings per share before extraordinary items are shown at 4.6p (2.04p); and after those items at 5.15p (2.04p).

It is intended subject to Government policy to increase the gross equivalent dividend total to 6.7p—4.69p net—compared with the single 3.75p paid for 1972. An interim of 2.8p is declared—equal to 4p gross.

In his report in June chairman Mr. J. L. Harvey told members that the group was on a recovery path. Increased industrial activity which marked the last quarter of 1972 appeared to be continuing and that augured well for the group in 1973, he said.

The directors explain that the first half result was due to buoyant trading conditions for all products and the improved performance of the chloride titanium dioxide plant at Stallingborough.

The result has been particularly helped not only by considerable investments in overseas manufacturing activities, but also by a large increase in the value of exports, they add.

Providing for tax of £1,529,000 (£433,000), the first half net balance emerges at £1,502,000, compared with £483,000.

See Lex

Midland Bank statistics

The continuing exceptionally low level of activity in the new issue market is shown by the latest statistics compiled by the Midland Bank. According to these the amount of "new money" raised in the U.K. by the issue of marketable securities in September was only £1.7m., the lowest monthly figure for more than twenty years. This compares with £26.1m. for September 1972, and brings the total for the first nine months of 1973 to £245.4m. against £894.8m. in the corresponding period of 1972.

ROBT. M. DOUGLAS

At the annual meeting yesterday of Robert M. Douglas (Contractors), chairman, Mr. R. M. Douglas said that for the [...] quarter of the current year [...] turnover of the group show[...] substantial increase over [...] equivalent figure for 1972 [...] there was a correspon[...] increase in earnings.

"The work load ahead o[...] is the highest in the compa[...] history and is substantially hi[...] than the same period last ye[...]" he said.

"Subject to our ability [...] control inflation and the main[...]ance of good industrial relati[...] we look forward to a further [...] of progress."

Royal Sovereign

In the first half of 1973 pr[...] of the Royal Sovereign Pe[...] Company show an increase [...] £71,167 to £253,548. Sales in [...] current period are ahead of f[...]cast, reports Mr. R. Patter[...] chairman.

The interim dividend is 1.[...] net—equal to 5.7714 per c[...] gross (5.5 per cent.). The [...] total was 11.283 per cent., [...] on profits of £440,000.

	Six months 1973 £
Group profit	253,548
Taxation	108,000
Net profit	145,548
Minorities, etc.	21,890
Attributable	123,658
Preference dividends	2,509
Interim Ordinary	43,530
Retained	77,117

During the half-year the gr[...] has been negotiating the sale [...] various properties; and the p[...]chase of the freehold of the he[...] office and works at Highbu[...] London, currently held on lea[...] The result of all these trans[...]tions will be shown in the co[...]solidated accounts for 1973, a[...] will disclose a satisfactory [...]crease in the net assets of t[...] company, says Mr. Patterson.

It is proposed to change t[...] company's name to Roy[...] Sovereign Group.

Statement Page 15

JOHN JAMES

At the annual meeting of Joh[...] James Group the chairman to[...] shareholders that he had eve[...] reason to believe that the curre[...] year's profits would exceed tho[...] of last year. He also said that th[...] liquidity position remains ve[...] strong.

Results due next week

In a week that sees some shortening in the company news list, figures are expected from News International, London and Northern Securities, Morgan Crucible, retailers Debenhams and Freemans, and Matthews Wrightson.

At the annual meeting of News International, held last June, the profits were reported to be ahead. No doubt pre-tax profit for the first half of 1973 will be up but nothing like the dramatic increases of 150 per cent. and 45 per cent. respectively for the first and second halves of 1972. The cover price increases which really pushed up 1972 profits must have worked themselves out by the current year, and display advertising was probably down. Nevertheless, a pre-tax figure of more than £5m (£4.2m.) looks likely from next Thursday's interim figures but the share price has to contend with adverse sentiment on the newsprint situation.

London and Northern Securities announced in July that its profits for the first five months of the current year were well in excess of budget and of the corresponding period of last year: so the group's interim statement on Thursday will presumably show a fairly significant improvement in profits. For the whole of 1973 the group has already forecast (in its Bardolin offer document) that profits will be at least £6m. before tax.

Morgan Crucible's first-quarter results in June were 81 per cent. higher before tax at £996,000. But this was still somewhat disappointing since it represented a downward fluctuation in a rising trend following the rapid improvement achieved in the final three months of 1972. Consolidating the French associate Carbone-Lorraine could mean full-year profits of around £5.9m. before tax (against £4.05m.), and in order to meet this level the interim figures on Thursday will have to show profits of at least £2.4m. pre-tax, against £1.37m. last time.

Official statistics now confirm that a decline of non-food retail sales has taken place since VAT, and this does not augur well for Debenhams. However, the first half will probably not be so adversely affected as the second half. Next Thursday's interim figures could show a pre-tax profit of £5.8m. including acquisitions, which points to organic growth somewhere over 20 per cent.

Again in the retail field, Freemans, the mail order concern, looks also to have enjoyed a favourable first half. Last May the company informed shareholders of a 37 per cent. rise in turnover in the first quarter. Trading has no doubt looked reasonably healthy and a pre-tax profit of £3m. (£2.4m.) from next Tuesday's interim figures looks quite feasible.

Matthews Wrightson increased its 1972 pre-tax profits by 23 per cent. to £4.6m. on turnover up 18 per cent., which reflected a good first-time contribution from Mercury Insurance as well as a sharp turnround by the shipbroking side. Further improvement was expected from both of these in the second six months and the growth in insurance broking profits was also expected to continue. So, the interim profits on Tuesday should reveal a further significant increase and also perhaps pave the way for a full year pre-tax level of around £5.6m.

Other figures expected next week include the interims from Mono Containers, on Monday, and Cape Asbestos and Hunting Associated on Tuesday. Advance Laundries and Bowthorpe Holdings are announcing their half-time results on Thursday while Rockware Group and S. Pearson and Son report their half-year profits on Friday.

Company	Announcement due	Dividend %* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Armour Trust	Tuesday	—	9(k)	—
Aurora Gear and Engineering	Thursday	3	7½	5
A. Beckman	Wednesday	—	—	15(i)
Emu Wool Industries	Thursday	3.33	6.67	3.331§
Fenchurch Insurance Holdings	Wednesday	8½	11½	8‡
Footwear Industry Investments	Monday	—	—	—(a)
Greensitt and Barratt	Monday	6½	45(l)	8¼§
Grimshawe Holdings	Monday	—	—	7½(m)
James Halstead (Holdings)	Tuesday	2	3	[illegible]
M. P. Kent	Monday	12	15	12
Philip Kunick	Wednesday	5	Nil	Nil
Lawtex	Wednesday	6	8	6½
London Merchant Securities	Thursday	4	6	3.787
London Shop Property Trust	Thursday	5	10(j)	5
Maynards	Wednesday	6	14	6
Northborough Investment Trust	Thursday	—	3	—
Raglan Property Trust	Tuesday	5	9	7
S. Simpson	Thursday	7½	10	7½
Scottish and Continental Investment	Wednesday	—	—	—(e)
Scottish Metropolitan Property	Tuesday	3.417	7.653	3.417
Second Broadmount Trust	Wednesday	6.6	12	7.2
James Walker Goldsmith & Silversmith	Wednesday	5½	5(b)	4(c)
INTERIM DIVIDENDS				
Advance Laundries	Thursday	4	17.85	
Altifund	Wednesday	5	10	
Anglo-Swiss Holdings	Thursday	Nil	10½	
Associated Book Publishers	Thursday	6	15	
Bourne and Hollingsworth	Wednesday	4†	5.1	
Bowthorpe Holdings	Thursday	7	8½	
British Syphon Industries	Tuesday	2.857	4.643	
Brown Bayley Steels	Wednesday	2	Nil	
Bruntons (Musselburgh)	Wednesday	14	29*	
A. F. Bulgin	Thursday	5(f)	17.142	
Cakebread Robey	Monday	3	10	
Cape Asbestos	Tuesday	10	21½	
Clay Cross	Thursday	5	16.15	
Consolidated Commercial	Tuesday	6	3.2	
Continental Union Trust	Wednesday	7.2	5.2(g)	
Debenhams	Thursday	5	15	
[illegible] & Sons (Wellington)	Monday	[illegible]	20	

Company	Announcement due	Dividend %* Last year Int.	Last year Final	This year Int.
F.P.A. Construction Group	Tuesday	5	5½	
Freemans (London S.W.9)	Tuesday	8	16.91	
W. & J. Glossop	Monday	6.6875	9.092	
Gramgas	Monday	10	16	
Haden Carrier	Tuesday	10	23.571	
Arthur Henriques	Friday	10	14½	
Horizon Midlands	Tuesday	20	30	
Hunting Associated Industries	Tuesday	5¼	5	
Hunting Gibson	Wednesday	3	6.55	
Matthews Wrightson Holdings	Tuesday	15	26½	
F. Miller (Textiles)	Friday	16	26	
Mono Containers	Monday	2½	3½(l)	
Morgan Crucible	Thursday	13½	8.214	
News International	Thursday	23.5(h)	15.714	
S. Pearson & Son	Friday	7½	18.75	
Reed & Smith	Wednesday	4	3	
Rockware Group	Friday	5	10	
Rotork	Tuesday	3	9.429	
Silentnight Holdings	Friday	—	20(d)	
Spirax-Sarco Engineering	Wednesday	9.6	15.5	
Stanwood Radio	Wednesday	[illegible]	5½	
Streeters of Godalming	Friday	16	15.036	
Tehidy Minerals	Monday	14	11.7	
William Utley	Monday	2½	10	
Warne Wright & Rowland	Thursday	15	8.368	
INTERIM FIGURES ONLY				
C.E.B. Jersey (Holdings)	Tuesday			
Queen Street Warehouse (Holdings)	Wednesday			

* Adjusted for any intervening scrip issue. † Forecast 14 per cent. interim dividend. ‡ Includes 4½ per cent. second interim. § Forecast maintained dividend on increased capital. ¶ Includes 3½ per cent. second interim. (a) Made public October, 1972. Forecast 15 per cent. gross final dividend. (b) For 12 months. (c) In 9-month period. Forecast 4.924 per cent. final dividend. (d) Made public January, 1973, when forecast 15 per cent. interim if company had been quoted during whole year. (e) Made public June, 1973. (f) Includes ½ per cent. special dividend. (g) Declaration of interim dividend only. (h) Consists of 18½ per cent. interim, 1½ per cent. second and 3½ per cent. third interims. (i) Second interim. (j) Made public September, 1972. Forecast not less than 35 per cent. total dividend. (k) Paid in two parts for tax reasons. (l) Includes 1½ per cent. second interim. (m) Forecast not less than 22½ per cent. final dividend for 16-month period.

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هكذا من الأصل

OVERSEAS NEWS

...aghdad curfew imposed ...ter wave of murders

N HIJAZI BEIRUT, Sept. 28.

·I authorities to-day ...urfew in Baghdad and ...and closed the airport ...r notice. ...nt by the Ministry of ...oadcast by Baghdad ... the purpose was to ...ecurity measures to ...hose responsible for ... series of brutal ... the Baghdad area. ...ent announced the ...f special committees ...rently would under... ...e to house search for ...d urged all citizens ...te with them and ...uthorities about any ...ctivity. ...lers have become a ...s concern for the ... The first inkling ... worried the regime ...n statements earlier ... the country's strong... ...ddam Hussein. Mr. ...o is vice-president of ... revolutionary com... ...il claimed the mur... ... "external elements ... undermine the ...

...asised that the Gov... ...uld strike ruthlessly ... called "imperialist ... and "pockets of ...volution." He said ... Chile-style upheaval ... succeed in Iraq. ...ight men, women and ...ave been brutally ...nce early this month. ... were dismembered ...d but the authorities have not been able to find the killers. The victims were of no special political character.

There has yet been no public evidence that the murders were politically motivated, but the drastic measures announced in Baghdad to-day suggests that the regime at least is convinced that a conspiracy was under way.

Informed sources here believe it is possible the anti-regime activity was carried out by followers of Nazem Al Kazzar, the former chief of security, whose attempt last June 30 to assassinate President Ahmed Hassan Al Baker and other leaders of the regime was foiled. Al Kazzar and several of his followers were arrested and summarily executed.

The sources said the Kazzar affair caused a split inside the leadership of the ruling Baath Party, especially after a prominent member, Mr. Abdel Khalek Samarrai, was accused of not informing the Government about the attempt even though "he knew about it in advance." He has been sentenced to life imprisonment.

The imprisonment of Samarrai has caused serious cracks inside the Pan-Arab Baathist movement which supports Baghdad. This is because Samarrai was in charge of Baath party branches abroad.

After the Kazzar attempt was suppressed, Government-inspired reports from Baghdad said he was responsible for some of the political murders committed in Iraq and by Iraq agents abroad since the present regime came to power in 1968.

Richard Johns writes: According to travellers from Baghdad the murder victims include a senior expert from the Planning Ministry, a police commander and a Jewish family. This information suggests that the murders were not merely the work of a deranged psychopath. There had been some speculation that the regime would use the crimes as an excuse for a political crisis—the sort of device that the Baathists might resort to for a crackdown on their enemies.

...ce's deputy Premier ... following dispute

OWN CORRESPONDENT ATHENS, Sept. 28.

...Premier Nicholas ...one of the original ...triumvirate which ...er in April 1967, ...nced he had resigned ...Government to pave ... a return to a sound ...y system. ...ezos, former artillery ...was in charge of the ...tor for the past six ...ears, said his resig... ...intended to avoid ...problems or difficul... ...ay towards a smooth ...ansition of political ... the people. ...t a Press conference, ...g Deputy Premier ...my revolution was ...l to become a per... ...me but to effect a ...ge in the political, social and economic structure of the country.

He said he considered that the Armed Forces had completed their announced mission and it was the duty of all those who served under the present regime to depart and support the formation of a political Government which would lead the country to genuine democracy.

Pressed by reporters, Mr. Makarezos admitted there were basic differences of views on crucial points between him and President George Papadopoulos. He refused to say what these divergencies were. He said, however, that his opposition to the abolition of the Ministry of Coordination in 1971 had been indicated by its re-instatement last week.

French curb on 'non-resident' loans lifted

By Rupert Cornwell

PARIS, Sept. 28.

THE BANK of France to-day quietly lifted its "recommendation" to commercial banks not to make franc loans to non-residents, imposed exactly one week ago at the height of the short-lived speculative attack on the franc.

The decision followed the steadier performance of the French currency on foreign exchange markets over the past few days, and is clearly calculated to show that the French authorities regard last week's flurry as an event that will not be repeated.

A Bank of France spokesman said there had been no support needed for the franc over the week—a very different story from the previous week when the French, German and other EEC central banks reputedly bought several thousand million francs to prevent the currency dropping out of the EEC's "snake." The franc had also risen off its DM floor.

The Government is doubtless hoping, too, that one of the fears behind the run on the franc—that France was doing comparatively little to fight an annual inflation of some 10 per cent.—will have been lessened by the sterner tone of President Pompidou at his Press conference yesterday.

Inflation, he said, was the country's most serious domestic problem, and dropped an unmistakable hint that if the situation did not improve, he would consider introducing a prices and incomes policy.

W. German GNP shows 6% rise in first half

By Malcolm Rutherford

BONN, Sept. 28.

WEST GERMANY'S Gross National Product rose by 6 per cent. in real terms in the first half of this year on the comparable period of 1972. At current prices it was up by 12 per cent. to DM43,000m.

The figures, released by the Federal statistics office to-day, are generally in line with earlier forecasts, though there have been some recent suggestions that growth may be slowing down in the second half.

No disparity

The breakdown shows that income from entrepreneural activity was growing at almost the same rate as that of the dependent labour forces—by 12 and 13 per cent. respectively. In recent years there have been disparities here in both directions. The fact that they are now roughly in line is likely to be used by the authorities and the employers as an argument against high wage demands.

Investment in new plant was up by 8 per cent., private consumption by 11.5 per cent. and public consumption by 13 per cent. The value of exported goods and services rose by 19.5 per cent. and of imports by 17 per cent.

Ford plant in France again hit by strike

By Giles Merritt

PARIS, Sept. 28.

THE NEW Ford Motor factory near Bordeaux, opened only about two months ago by Mr. Henry Ford, has now been crippled by its second serious strike in two weeks.

Workers at the new plant have just returned to their jobs after a 24-hour strike involving almost all the work force. The dispute over company subsidies for transport costs from the men's home to the Blanquefort factory has still not been settled.

The company has offered 5 centimes per kilometre, but both the powerful Communist CGT and the Leftist CFDT trade unions have rejected this as insufficient.

Senate now approves 110,000 troops cut

BY ADRIAN DICKS WASHINGTON, Sept. 28.

THE SENATE last night changed its mind yet again on the troop cutting issue, and approved by 48-to-36 an amendment to the Defence Procurement Bill that would cut back U.S. Forces overseas by 110,000 men, or 23 per cent. within the next 27 months.

Moved as a compromise by Senator Hubert Humphrey of Minnesota and Senator Alan Cranston, of California, the amendment stops well short of the 200,000-plus cutback envisaged by Senator Mike Mansfield's amendment, which the Senate adopted on Wednesday morning but then threw out again the same evening after intensive lobbying by the White House and the Pentagon.

The Humphrey-Cranston amendment requires a cutback of 40,000 men by June 30, next year, with the remaining 70,000 to be withdrawn by the end of 1975. It does not specify the areas of the world in which the cuts should be made, although Senator Humphrey said in a statement yesterday that he thought Asia and the Pacific would be "the logical places to begin."

Earlier in this week's defence debate, the Senate also adopted an amendment by Senator Henry Jackson of Washington which would cut troops in Europe by the extent to which the Europeans fail to cover with U.S. imports the foreign exchange costs of U.S. forces.

Although it is certain that both the Jackson and Humphrey amendments will be moderated by the House of Representatives when a conference of the two Chambers comes to consider the Bill, the Senate has during this week shown a basic strength of feeling on the issue that the Administration has been unable to shake.

Dr. Henry Kissinger, the new Secretary of State, had appealed to Senators to avoid any action that would undermine the U.S. position at the negotiations on Mutual and Balanced Force Reductions with the Warsaw Pact before they have even got really under way.

Hong Kong brings in new stock exchange laws

HONG KONG, Sept. 28.

THE HONG KONG Government to-day announced legislation to control stock exchange dealings with fines of up to £80,000 and seven years imprisonment for various offences.

Two Bills covering exchange activities were published in the official gazette and are expected to be enacted by the Legislative Council next month.

Persons inducing investors to trade in securities by fraudulent means will be liable to the maximum penalty under the proposed legislation. Insider dealings, short selling, option and forward trading and the hawking of securities will also become illegal.

The Bills were prepared by the Legislative Council's law revision committee, which drew on stock exchange control measures in Britain and Australia.

Earlier this year there were wild scenes on Hong Kong's markets as share prices rocketed out of all proportion, only to fall again just as fast, losing hundreds of investors' fortunes overnight.

The new legislation also proposes the establishment of a federation of the colony's four exchanges to bring greater uniformity in trading methods and practices.

All dealers and those providing investment advice will be registered, and a fund will be set up for each exchange to cover losses by investors caused by a broker's default, according to the legislation.

Each exchange will have to deposit £4,000 for each member after the legislation becomes law and a similar amount a few months later.

Reuter

KRAG TO BE EEC ENVOY TO U.S.

By Our Own Correspondent

COPENHAGEN, Sept. 28.

Former Danish Prime Minister Jens Otto Krag, who resigned last October on following the referendum approving Danish membership of the EEC, has accepted an invitation to become chief of the Community delegation to the United States. The appointment is due to take effect at the beginning of next year.

CHESS BY C. H. O'D ALEXANDER

Bridging the gap

IT IS arguable that we have the strongest junior players in the world outside the USSR. This year we have had a long series of successes in both team and individual events, culminating in the World Junior championship where Tony Miles took the Silver medal and Michael Stean was third.

Moreover, it is not just a question of one or two players; there are many strong young players. Take the recent London Chess Club tournament at the Mary Ward (adult education) centre, Tavistock Place. In this 5-round Swiss, Keene, Markland, Botterill, Basman and many of the other leading British players competed as well as the Danish grandmaster Bent Larsen. Larsen won, as expected, with 4½ out of 5 but the young players did extraordinarily well. J. D. Nunn (aged 18) was second with 4/5, drawing against Larsen, Miles (18) and Mestel (16) scored 3½, P. Littlewood (17), Goodman (15) and Benjamin (14!) each made 2½, Spielman (16) got 2 and Lambert (15) 1½.

Our problem in the past—our juniors have always been good, though never as good as now—has been to maintain this level of performance relative to other counties at the adult level. This is—and must be—to a great extent solved by the individual players themselves and they are now playing much more chess than ever before.

Miles provides a striking example; having taken his "A" levels he carried out—apparently without getting stale—the following programme in the period July 6-September 20: the European Team Championships, Bath, July 6-13, World Junior July 16-August 4, British Championship August 6-18, tournament in Malta (won with 11 out of 11), LCC tournament September 7-9 and then another visit to Malta!

Miles was first again in Malta, beating the Belgian Grand Master in their individual game.

However juniors can be helped as well as help themselves and a very interesting experiment is being carried out by the London Chess Club, at the Mary Ward centre in collaboration with the Principal, Mr. W. L. Kitney; this is designed to help both adult and junior chess.

The first half of the plan is to have six week-end tournaments a year, with about 100 players—mostly adult, but some junior—at which there will be tutorial sessions after play. At these events, two of the leading British players will go through as many of the more instructive games as time permits. It makes a busy day—the timetable for Saturday in the September event was play 9.30-2.00; tutorial 1.00-4.00; play 4.00-8.30; tutorial 7.30-9.30.

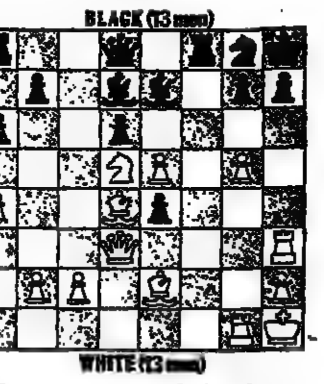
The second half is to hold every two months a day's junior tournament with about 100 invited players; they play 4 games each (two hours allowed per game) in the day and there is a team of up to ten coaches each of whom looks after a group and discusses their games with them.

This has three great merits. First, it brings the players together and helps them to become a group and not just isolated individuals. Second—and allied to this—it brings home to the good young player without much local competition that there are equally good players elsewhere and that he can't be content with his present standards. Third, the coaches will be able to provide new ideas and new ways of looking at positions to the players.

I should add that Mr. J. D. Slater, not for the first time, has given generous support to the scheme: a great deal of work is being done by Leonard Barden, Peter Morrish and others in the chess world: and we owe a substantial debt to the Principal of the adult education centre, Mr. W. L. Kitney.

POSITION NO. 39

BLACK (13 men)

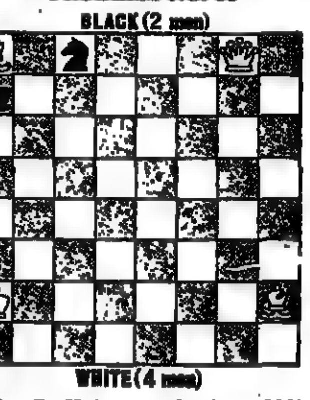


WHITE (13 men)

From the game Tukmakov v. Panno (Buenos Aires, 1970). White to play; how did the game continue and with what result?

PROBLEM NO. 39

BLACK (2 men)



WHITE (4 men)

By C. Kainer ("KAS," 1922). White to play and mate in three moves. Many problem solvers only attempt two-movers, which is a pity; to-day's problem is no harder than a good two-mover.

Solutions Page 4

The Save & Prosper guide to overseas investment

Awareness of the investment opportunities in overseas ...k markets has increased significantly in recent years, but ... investor wishing to obtain an overseas element in his port... ...o is confronted with many difficulties.

Investment in a Save & Prosper overseas unit trust helps ...rcome all these problems. Professional investment mana... ...s provide the specialised knowledge of foreign markets. They ...dle all administrative problems. They have at their disposal ...rency loan facilities which can mitigate the effects of ... investment currency premium, and the size of the funds ...ler management ensures a wide spread of risk at reason... ...e cost. Furthermore, Save & Prosper overseas funds, as ...horised unit trusts, are now liable to a flat rate of gains ...at only 15% on switching investments in the Fund.

Save & Prosper offers three overseas funds each specialising in one of the world's most important long-term growth markets – Europe, Japan and the U.S.A.

Before committing an investment to overseas markets, it is important to remember that there have been periods when these markets have performed worse than the U.K. – and vice-versa – and that in the short term the performance of individual markets can be significantly different.

Remember, the price of units and the income from them may go down as well as up.

You should regard your investment as a long-term one.

If you have any doubts about overseas investment, you should seek advice from a stockbroker or other professional adviser.

...pean Growth Fund

...pean potential

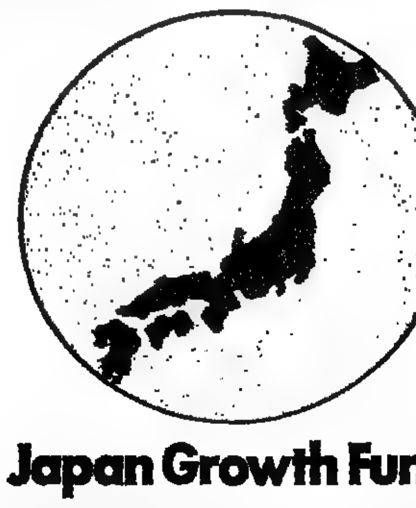
... the economics of most European ... growing rapidly during the current year, ... stock markets have performed well in ... unsettled international markets. ... recent enlargement of the EEC should ...eater economic strength not only for the ... whole but also for the individual member ... and consequently for well-run companies ... within the Community.

...an Growth Fund: aim and policy

... aim of European Growth Fund is long-... ...wth of capital through investment in the ... European companies. Income is not an ... The Fund is currently invested in 75 ...s in the Netherlands, France, Germany, ... Switzerland, Italy, Sweden and Denmark.

...an Growth Fund: past record

...e the launch on 13th November 1964 the ...r price has risen by 113% compared with ... 74% in the F.T. Actuaries All-Share ...d with a rise of 87% in the Eurosyndicat ...the comparable index of European shares) ... same period.



Japan Growth Fund

The Japanese economy

During the past 20 years the Japanese economy has increased six times in size and Japan now ranks as the world's third largest economic power. Though past growth has depended largely on exports, future growth should come increasingly from the rapid expansion of a dynamic home market.

Japan Growth Fund: aim and policy

The aim of Japan Growth Fund is long-term growth of capital through investment in the shares of Japanese companies. Income is not an objective. Currently the Fund is predominantly invested in the shares of financial and consumer companies which stand to benefit most from the Government's development of the domestic economy.

Japan Growth Fund: past record

Since the launch on 27th April 1970 the unit offer price has risen by 162% compared with a rise of 32% in the F.T. Actuaries All-Share Index and with a rise of 161% in the New Tokyo Index* (the domestic index of Japanese shares) over the same period. This should not be taken as a guide to future performance.

U.S. Growth Fund

The United States economy

After a period of stock market depression, there are signs of a return of investor confidence in U.S. stock markets. The current political uncertainties appear to be discounted in share prices and hopes of more realistic economic progress have encouraged some investors to return to the market – as witnessed by the increased volume and improved share prices on Wall Street.

Furthermore, the U.S. economy remains one of the strongest in the world, backed by modern technology and progressive industry. Its vast home market and extensive natural resources give it a sound basis for future growth.

U.S. Growth Fund: aim and policy

The aim of U.S. Growth Fund is long-term growth of capital through investment in the shares of U.S. companies. Income is not an objective.

U.S. Growth Fund: past record

Since the launch on 6th March 1964, the unit offer price has risen by 107% compared with a rise of 71% in the F.T. Actuaries All-Share Index and with a rise of 91% in the Standard & Poors Index* (a leading American index) over the same period.

*The Eurosyndicat, New Tokyo and Standard & Poors Indices have all been adjusted to take account of currency and investment premium fluctuations.

How to invest

Investing a lump sum

You can either complete and send in the coupon below together with your remittance, or telephone your order direct to our Dealing Department (01-554 8899) during business hours, forwarding your remittance later.

Investing from £5 a month

You can build up a substantial holding in any of these funds by regular monthly investment through the Save-Insure-and-Prosper Plan, which offers life assurance and tax relief benefits. Tick the box in the coupon for full details.

Price of units

For your guidance, on 26th September 1973 the offer prices of units and estimated gross starting yields were as follows:
European Growth Fund: 80·0p – £1·46% p.a.
Japan Growth Fund: 65·4p xd – £0·90% p.a.
United States Growth Fund: 77·6p – £1·50% p.a.

Further details

Buying units: Units are available at the offer price prevailing on receipt of your order and will be allocated to two places of decimals, calculated at the offer price ruling on receipt of your application or telephone call. Current prices are quoted in the leading newspapers.

Selling units: When you sell units, which you may normally do at any time, the Managers will buy back units at not less than the bid price calculated on the day your instructions are received, in accordance with a formula approved by the Department of Trade and Industry. Payment is normally made within seven days of our receiving your renounced certificate(s).

Safeguards: All the funds are authorised by the Secretary of State for Trade and Industry and are 'wider-range' investments under the Trustee Investments Act, 1961. The Trustee: Barclays Bank Trust Company Limited (United States Growth Fund and European Growth Fund); Bank of Scotland (Japan Growth Fund).

Charges: The offer price of units currently includes an initial service charge not exceeding 5% plus a small rounding-up adjustment. Out of this, commission of 1¼% (plus VAT where applicable) will be paid to banks, stockbrokers, solicitors, accountants and insurance brokers on applications bearing their stamp. A half-yearly charge, out of which Managers' expenses and Trustees' fees are met, is deducted from the trusts' assets. This charge is currently 18·75p per £100 on which 10% VAT is payable making a total deduction of 20·625p per £100.

Income: Distributions of net income are made on 31st December (European Growth Fund); 31st October (Japan Growth Fund); and 15th April (United States Growth Fund). They can be re-invested in further units to maximise capital, and this is advised as all three trusts have low yields. Japan Growth Fund units are at present xd which means that you will receive your first distribution of income on 31st October 1974.

Managers: Save & Prosper Securities Limited (a member of the Association of Unit Trust Managers), 4 Great St. Helens, London EC3P 3EP. Telephone: 01-588 1717.

A MEMBER OF THE SAVE & PROSPER GROUP

Application for a lump-sum purchase of units
Save & Prosper Securities Limited,
4 Great St. Helens, London EC3P 3EP.
Telephone deals: 01-554 8899.
Registered in England No. 1079617. Registered Office as above.

I wish to purchase

European Growth Fund units to the value of £ ____ MINIMUM £50
Japan Growth Fund units to the value of £ ____ MINIMUM £50
United States Growth Fund units to the value of £ ____ MINIMUM £50

calculated at the offer price ruling on receipt of this application. A remittance is enclosed (payable to "Save & Prosper Securities Limited"). We will acknowledge receipt of your application and will normally despatch a certificate for the units within 14 days.

I should like my future distributions of income to be re-invested in further units. (please tick here) ☐

I should like details of regular monthly investment. (please tick here) ☐

MR/MRS/MISS BLOCK CAPITALS PLEASE
Full First Name(s) ____
Surname ____
Address ____

I declare that I am over 18 and am not resident outside the U.K. or Scheduled Territories and that I am not acquiring the above units as the nominee of any person resident outside these Territories.* This offer is not available to residents of the Republic of Ireland.

Signature ____ Date ____

*If you are unable to make this residential declaration it should be deleted and the form lodged through your U.K. bank, stockbroker or solicitor.

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SATURDAY SEPTEMBER 29 1973

A little good news

THERE WAS at least some good news this week: and that is an improvement. In the U.S. there was a sharp drop in interest rates, and in spite of warnings from Dr. Arthur Burns not to get over-excited, Wall Street decided that the recent slow-down in U.S. activity was only a pause, and until yesterday rose sharply in anticipation of renewed growth. The U.S. economy is still so dominant in the free world's trade that continued, if slower, growth must improve prospects for everyone.

In Europe an apparently menacing outburst of currency speculation was contained with remarkable ease; with a stronger dollar, and successful co-operation across the Channel, there is reason to hope that the value of our own pound will not fluctuate so giddily, even in what now looks like another full year of floating. At home, meanwhile, left-wing union leaders turned on the striking electricians at Chrysler, and talked good-humouredly at Downing Street; it seems that the unions themselves are becoming alarmed at the anarchic troubles which threaten the economic growth on which they have pinned their hopes. These relatively encouraging developments have found little echo, however, in the financial markets. Share values staged only the most tentative recovery, completing nearly a year in which London has fallen while Wall Street rose. There was new speculation against the pound.

Unresponsive

This unresponsive mood is unfortunately all too easy to understand. The Government's economic strategy has long been questioned on financial grounds; and it now seems clear that the industrialists, who had previously been among the stoutest supporters of growth policies, are becoming worried and dismayed. The Government's talks with the CBI, unlike those with the TUC, have been anything but good-humoured: industrialists now fear that prices are to be stabilised through a squeeze on profits, and under a set of rules which make it very difficult to win any return from new investment or higher efficiency.

It is unfortunately still as hard as ever to make the Government's sums add up. And the talk of stricter price controls and possible food subsidies does not help. Since Ministers have frequently pointed out that subsidies are a costly way of achieving a small result, any about-turn would have disturbing implications. There have been some encouraging signs recently that the Treasury has been making an attempt to prune back capital investment in the public sector, especially by local authorities, and thus reduce the fiscal gap which is putting such a strain on interest rates and the balance of payments. The balance will be hard to restore, however, if the Government were to take on any open-ended commitments to stabilise key prices to add to the mounting losses of the nationalised industries in the same cause.

At bottom, what worries the business community is the possibility that the Government is trying to ensure industrial peace and to encourage political sympathy by basing its policy on a virtually guaranteed growth in consumption. Since it cannot in the nature of things guarantee a matching growth in resources, this is a high risk strategy.

Assumptions

Government policy appears to assume two favourable developments to make its aims attainable: a reasonable rate of growth in output and a stabilisation, at the lowest, in the terms of trade. Since recent production figures have shown output slowing down, the hope of a sustained improvement must rest on the view at the present signs of overheating are due mainly to bottlenecks in labour and capacity which can be eased in a fairly short time. Greatly improved harvests, and the topping out of speculative buying of some metals, lend some support to hopes that the slide in the terms of trade is now over.

If the Government's hopes are justified, its policy could work out. Improved terms of trade would assist the balance of payments. A higher growth of output would further support profits and the planned rise in consumption. But by the same token, any failure of the Government's hopes will be reflected immediately in a squeeze on profits and in new burdens on the exchequer. It is small wonder that industry and the City require some pretty convincing evidence before they are ready to ignore these risks. A little good news is not nearly enough.

Readers with long memories will recall Sally and Jim, whose regular budget reviews brought furrows to the brow and tears to the eyes. Now completely overcome by his worries, Jim has passed the tale on to a new couple, Anne and Peter, whose children are slightly younger but whose problems are much the same. Anne may be less the meek subject of husbandly chauvinism but the periodic totting up of the family income and expenditure, and the sudden dive for the Scotch that Peter makes on such occasions, still bring a lump to her throat. **Now read on . . .**

Life gets no cheaper . . .

ARTHUR SANDLES describes how Anne and Peter cope with the cost of living

IT WAS in the first year of the Sixties that Anne and Peter were married. At the time she was completing her nursing training and he was already climbing the promotion ladder in his company. Thirteen years, two children and a couple of mortgages later, those days seem a good way off. Peter is now around 40, striving to maintain his waistline with the odd (some say very odd) game of squash, slowing down in the office power game, and is paid more than £5,500 a year plus some commissions. He reckons that he is unlikely to see any more dramatic increases in the future other than those brought to him thanks to general cost of living increases. He is man enough not to have admitted yet to Anne his awareness that the top of the hill has been reached.

When this pinnacle was first attained, Peter felt very happy indeed. £5,500 seemed a great deal of money. But those initial thoughts of a boat, more expensive holidays, more eating out . . . all have died a little with the reality. Take the mortgage, for example. Peter and Anne bought their house in Sevenoaks when their son Mark had been at school for a year or more and daughter Jane, at two, was moving around their small terraced cottage in Hampton a little too actively for comfort. Peter settled on Sevenoaks because at that stage the area was still relatively unfashionable, and there was a good train service into Cannon Street and thus the City.

Bought for £12,000

The couple bought a four bedroomed detached house with about a third of an acre for what now seems the ludicrously low price of £12,000. At the time it was a great deal, and the mortgage of £8,000 with the Abbey National was as much, if not more, than the two of them really felt they could afford. At the time repayments on the mortgage were little more than £60. Those were indeed the days. Although Peter now sees comparable houses for sale at around £29,000 in the area—even if sales are a bit sluggish these days—this is little comfort to a man who faces polite notes from the building society with monotonous regularity. A year ago his repayments on a 25-year term mortgage had risen to £63.24, more recently they have been £70.46, now he has to pay £72.93, and soon it will rise to £77.98 a month at an interest rate of 11 per cent. Anne and Peter are not really looking forward to the next post bag.

It is with something of a relief that Peter now looks over the garden fence at his neighbour, a quietly truculent chap with little to say but a strong way of saying it. A year ago, faced with regular visits from in-laws, he planned a loft-conversion, the status symbol of the south which succeeded deep-freezers in the aspiration stakes. The eventual quotation for the job was rather more than he had expected—£3,000 for an extra couple of smallish rooms. After some battling he actually won building society approval for a further loan. Then, to his surprise and irritation, he was faced with opposition to his planning application from the neighbour.

The fact is, of course, that the poor man cannot really afford to increase his commitment now, even if approval is forthcoming. Such has been the rise in his cost of living that to take on further regular outgoings at the moment would be foolhardy in the extreme.

It is schooling that has proved the real crippler of the family. The move to Sevenoaks was made partly because the couple had their eyes on Sevenoaks School for Mark. Since boarding was financially out of the question, and anyway was contrary to their views about bringing up children, Mark started as a day boy last year. The impact on the family budget was dramatic and rather worrying.

Sevenoaks School is a happy sort of place with a considerable reputation in both the academic and sporting world. Its sailing and tennis players have something of a national name. Fees when Mark started were £125 a term, fully inclusive apart from lunches. Mark's daily lunch costs 30p and the fees for the year just started have now gone to £151 a term. When Peter received the letter telling him of the rise last Easter he was horrified. The family is going to be faced with considerable problems when Jane too starts senior school. At the moment she attends a very good state establishment. Apart from the fees the only extras facing Peter are the cost of uniforms and minor extras like museum visits.

He is not the only Sevenoaks parent who is feeling the pinch. Talk of the rising cost of living was on the lips of many a parent at the summer fete earlier in the year. On a scorching day, £1,600 was raised for a new recreational hall complex on which work will start soon. Peter at least felt that his manning of a stall made up to some degree for his penny-pinching when parents were circularised by the school seeking direct contributions for the project.

Mark's glimmer of enthusiasm for boats, picked up at school, is bothering Peter a little, particularly since he has always had maritime aspirations himself. For the moment, however, thoughts of even a dinghy parked in the driveway are being postponed.

THE FAMILY BUDGET

	£ per month Was, Sept. 1972	Is now:
Housekeeping	70.00	80.00
Mortgage	70.46	72.93
Rates	20.83	18.72
Education	39.00	46.00
Clothing	15.00	19.00
Car	34.00	38.00
Holidays†	10.00	10.00
Insurance	15.00	15.00
Heating	10.64	11.20
Electricity	4.23	4.90
Telephone	3.90	4.20
Season ticket	13.20	13.90
His allowance	28.00	28.00
Miscellaneous (water rates, house maintenance, garden, children's pocket money, entertainment)	20.00	22.00
Expenditure	354.26	383.85
Income, monthly net	351.00	387.00
Balance	−3.26	+3.15

† Main holiday payments are usually handled by Peter's annual bonus—see text.

Accounting for the Cortina

A somewhat more immediate capital expenditure problem faces the family in the form of the car, a two-year-old Ford Cortina 1300. Peter has never really got to grips with accountancy when it comes to motor-cars. If one includes depreciation and repairs the car is really costing him around £48 a month compared with £44 a year ago. But the purchase of a new model is being postponed and therefore some of the depreciation is being quietly "forgotten" when the couple come to do their books. Both are hopeful of some nice windfall to help them out when the evil day of buying a replacement is forced upon them. But he cannot ignore things like the car insurance. Last year it cost them £33.12, and this year the bill was £37.92.

The couple are not heavy users of the car. Sometimes Anne will take her husband to the station, occasionally he drives himself and leaves it there all day. It is used quite a lot at week-ends, but Anne's habit of taking Mark to school in it, and thus contributing to the town's severe morning traffic problems, was dropped because the boy was late too often. That meant the purchase of a bike, a second-hand bargain at £15. Mark's willingness to use his cycle may be diminished now that the mornings are getting colder.

Anne herself would like to drop car ferrying altogether, even the occasional trips to the station and to pick up Jane. Indeed, she would quite like to take up some form of employment again, and is torn between the desire for reward mental, and the need for reward financial. She tentatively approached the local hospital to see if her nursing training could be useful. But they required a minimum 20 hours work a week and were keen for extra help at the very times when Anne, like other young women in her position, was at her busiest—morning and evening meal-times.

So for the moment Anne does no additional paid work but maintains an interest in the world around her with a certain amount of social activity, mainly concerned with the elderly.

Hardly an allowance

It is with the old people of the area that she finds at least one chord of sympathy. Although in different financial leagues, both Anne and the people she helps have a mutual talking point in the rising cost of living. A year ago Anne's housekeeping was £70 a calendar month, paid directly into her own bank account by Peter. The money is supposed to cover all food and cleaning materials as well as delivered milk and bread. It is also meant to deal with minor items of her own and the children's clothing—socks, underwear and the like. A few months ago the sum was increased to £80, but even at this level the idea that it is meant to include a measure of "allowance" for her own discretionary spending is something of a joke.

In common with many of her friends and neighbours Anne finds some of the local shops expensive, and when a quantity of shopping is required, or a visit to Marks and Spencer, she will make her way to Tunbridge Wells, which has rather more to offer.

Peter's allowance of £28 is also almost theoretical. He tends to dip into his bank account whenever the need is present rather than in any fixed way. In some months he will spend less, much to the astonishment of some of his friends, but at other times his normal consumption of lunch-time beers, his odd games of squash, his purchase of the occasional book, or cassette for his hi-fi system, will drive the total above the £28 average. His season ticket, now nearly £14, is treated as a separate item.

Peter works in the City, has a modest amount of entertaining to do on an expense account; because cash burns a hole in his pocket, he pays with a Diners Club credit card. At least that way he receives a monthly statement, making his expense claims easier and helping him through his awkward habit of losing bills and receipts. He finds the City a difficult place in which to eat. The "business lunch" tends to be on the pricey side compared with the West End, and Peter will tend to steer his clients towards the St. Martins La[ne] area if possible. He has som[e]thing of a conscience abo[ut] expense account lunches an[d] with his peculiar sense [of] puritanism, begins to fe[el] resentment if a bill rises abo[ve] £8.50 for two. He recalls wi[th] affection when this mental lim[it] of his was £5—and that w[as] only three or four years ago.

The business lunch, when [he] is as often the guest as the ho[st] keeps his own luncheon co[sts] down. He is not at his happi[est] at lunchtime since the Ci[ty] executive is driven to crowd[ed] pub or wine-bar, or altern[a]tively has to slink in among t[he] secretaries to a sandwich b[ar]. His company does not boast [its] own restaurant.

One thing it does boast, ho[w]ever, is an annual bonus, whi[ch] can be quite healthy. This h[as] not been included in the budg[et] because it is almost alw[ays] treated as holiday money. La[st] year the four of them took [a] package tour to southern Spa[in]. Although the brochure said t[he] cost would be £85, very so[on] after he had booked he w[as] faced with a devaluation s[ur]charge of £3.40 for each of the[m]. On departure he was very cr[oss] to be asked for another £2 each at the airport. With oth[er] "extras" the basic cost of t[he] holiday was £92.35 a head f[or] two twin-bedded rooms w[ith] balcony facing the sea. T[he] holiday was a great success, a[nd] if the bonus comes up to l[ast] year's level the family w[ill] probably go again — but t[he] brochure price for the sa[me] holiday this year is £94, another bout of surchages w[ould] be alarming.

The couple still save so[me]thing, however, for their o[ut]-of-pocket expenses while [on] holiday. It is not, they [are] telling themselves, enough.

A long cold winter?

And so they sit down to w[ork] it all out for the coming wint[er]. The big imponderables are f[uel] costs, with the winter prices [for] the anthracite they use in [their] solid fuel boiler yet to [be] announced, and the mortga[ge]; they anticipate the worst. L[ast] winter they paid £24.20 a t[on] for anthracite, and the summ[er] priced fuel they bought c[ost] £22.80. Electricity they use [for] lighting, cooking, and a meas[ure] of water heating in the summ[er].

Almost certainly as far as t[he] family budget is concerned it [is] going to be a long cold wint[er]. Perhaps longer and colder th[an] Peter thought at first. Anne [has] just announced that her pare[nts] are coming to stay at Christm[as] —for a month.

Letters to the Editor

Postal codes

Sir,—Mr. Wallace in your issue of September 26 apparently wants me to address him "B. P. Wallace, Esq., Belvedere Works, Bilton Way, Pump Lane Industrial Estate, Hayes, Middlesex." with or without his postal code. I should avoid writer's cramp by putting on the envelope B. P. Wallace, Esq., Belvedere Works, Hayes UB3 3ND.

As I understand the system UB takes the letter to the Uxbridge sorting office (outward sorting). 3 puts it in the right district, the second 3 in the appropriate sub-district and ND in the *postman's bundle*. I should take a chance on the near-certainty that ND is a postman's bundle exclusive to Belvedere Works and, if the Belvedere Works has a good internal sorting system, a letter addressed from any part of the world to B. P. Wallace, Esq., England UB3 3ND, should arrive on his desk as quickly as if any fuller address were given.

In this matter of Post Codes I believe that Britain, in tackling inward sorting as well as outward sorting in its system, is years ahead of and not in any way behind its neighbours in Europe. I shall send copies of this letter with both addresses to Mr. Wallace and he can tell you whether there is any need for his customers to write to him under an address of six lines instead of two or three. I have just sent my friends 100 postcards from Crete and four lines, including England, are much better to write than the six or seven that an uncoded address may require.

A. G. Ellinger.
36, Regent Street, Cambridge CB2 1DH.

Decimalisation

Sir,—We were assured that decimalisation of our currency would not lead to increased prices and were exhorted to keep a sharp look-out for dishonest traders exploiting the change in the value of the penny.

I have just purchased from the British Standards Institute a copy of a standard specification printed in 1965 and bearing the printed price of 7s 6d (that is, 90d). It was invoiced at 90p.

G. Burger.
71, Northcourt Avenue, Reading, Berks.

Power tools

Sir,—The 1972 "Household Electrical Fatalities" Report from the Home Office lists, once again, a tragic number of fatalities from electric shock resulting from the use of power tools in and around the home. Nine people in all lost their lives in this way during the year.

In eight of these the earthing system was at fault, either as the prime cause of the accident or by failing to provide the requisite protection.

This report proves yet again the inadequacies and the inherent dangers of the earthing system with portable power tools which are frequently used outdoors in potentially dangerous conditions.

Double-insulated tools, where the protection from shock is built into the product, thus eliminating the need for an earth wire, are the proven safeguard against such fatalities. These eight fatalities could so easily have been avoided.

Surely it is now time for portable electric power in the home to be restricted officially to double-insulated appliances?

G. M. Wolfe.
PO Box 379, Hanger Lane, London, W5.

Two tier interest

Sir,—I read the excellent article by Colin Jones—"Where the Building Societies could look for reform"—in your paper of September 25. It was a splendid statement of the traumatic situation in which the Building Societies now find themselves—this situation being one of a drastic funds shortage which has manifested itself in record cost mortgages. However, such a contingency can never be regarded as an impossibility, granted the role which the building societies have assumed as financiers of the building industry. Paradoxically, there is one service which the collapse of this Government's housing policy renders. Such a service is the cogent illustration of the need for a two tier interest rate structure—as operated in France, for example, in the last two years.

Why a two tier interest rate structure? The reply is in two parts. First and foremost, it is surely desirable that interest rate movements in the money market designed to protect sterling be divorced from the cost of mortgages. Secondly, if a two tier system were operated, the malevolence of short-term capital movements/speculation would be offset. The reasoning behind this assertion is that if there were a separate market for these short funds they would be unable to wreck the true equilibrium of exchange rates. Therefore, the elimination of these short funds from the parity arena would ensure that floating parities were not sabotaged, or given an erroneous look by the exigencies of international speculation.

Thus by separating into two markets the present activities of the discount house, merchant banks, insurance companies, clearing banks, building societies and pension funds on interest rates some kind of order would be restored to the financing of industry, house purchase and the multiplicity of other functions, the money market discharges.

R. R. Marshall.
Jarawac, Trevarrick, St. Austell, Cornwall.

Property Bonds

Sir,—A Bond being a written contract to pay money or carry out a contract, and the word immediate meaning at once, I should like to report the following extraordinary experience with a view to enquiring if any of your readers and investors have had similar difficulties in getting a Property Bond Company to remit money you are entitled to.

On June 19, 1972 I invested £9,000, and for my wife £6,000 in a very large Property Bond Company and since June this year have been trying by one means or another to get them to pay my wife 6 per cent. on her investment.

On May 6, 1973 I wrote to the agency who booked this business stating that we wished to draw 6 per cent. annually. On June 11 I received forms that the company supplied to the agency and returned them completed the same day. And on June 19 my wife received a cheque on the basis of 9 per cent., nothing for myself, and I returned the cheque for correction to 6 per cent basis. There has been no acknowledgment of the returned cheque, my letter, or acknowledgment of their error.

On June 21 they wrote to the effect that I had filled in the wrong forms. These were the forms they supplied. This seemed nonsense as they had paid my wife albeit by mistake it seems. They enclosed two other forms, Withdrawal Plan Requisition Forms, with the news that because they could not possibly receive them back in time we could not have an automatic payment until June 1974.

To be helpful they enclosed two other Partial Surrender forms by which they stated we could get an immediate payment. These were sent back on June 24 this year and I have tried to get this immediate payment for three months now. I have been paid but not so my wife.

I wrote to a senior official whose signature appears with the letter accompanying their annual report, my private letter was acknowledged, with the promise that he would contact me next week. He did not do so. I then wrote on September 17 a private letter to the chairman reciting these facts and a list of practical steps I was now going to instigate to enforce payment to my wife. A cheque was received on September 20.

Three months from start to finish, and two months from the date when they promised an immediate payment! And fifteen months since we made the investment.

J. B. Mason,
Rosebank, St. Just-in-Roseland, Truro.

Labour saving

Sir,—In these days when human productivity is so essential in the U.K., why is it not possible for the Gas and Electricity leviathan organisations to have both gas meters and electricity meters checked in one operation by the same employee, thereby saving nearly 50 per cent. of the labour? The French do it, so why not the British?

G. De Groote.
10, Wool Road, Wimbledon, London, S.W.20.

House prices

Sir,—One way for the financial burden of an 11 per cent. mortgage to be eased is, of course, for house prices to fall in response to the present excess of supply over *effective* demand, that is, demand backed by money. This is not to say that the *need* for houses is greater than supply, however the present writer might *need* an Aston Martin, but if he fails to support need with purchasing power then that is that.

The recent headlong increase in house prices ended in an old-fashioned boom where prices reached levels unjustified by real economic forces and were solely the result of hysteria and panic. With the passing of the boom some easing of prices to levels more in keeping with real market forces was to be expected, and to some degree has happened.

However, house sellers, unable to sell their property, steadfastly refuse to believe that conditions have changed significantly and are insisting on prices which would only be justified by a continuation of boom conditions.

All this illustrates the paucity of the economist's free market scenario: the rapid increase in prices and builders' profits should have attracted more firms into the industry, which would have increased house production, and led to a long-term easing of prices, etc., etc. In the real world the housing market appears to live continually in the "short term" with the "long-term" a mirage.

Eventually, no doubt, the excess supply of houses in relation to effective demand will cause a fall in house prices, especially secondhand houses and bring welcome relief to first-time house buyers, while leaving existing house owners on balance no worse off than now when they move. Overall, less resources would be tied up in house purchase. However, as the "supply curve" of houses seems to have contracted to a single point it may be some time before this happens!

D. G. Rhys,
Lecturer in Economics.
University College, Cardiff.

The 'Think Tank'

Sir,—Mr. Heath's rebuke of Lord Rothschild was timely and no doubt deserved, but disappointment must be expressed at the reason for the rebuke: a transgression of the Civil Service code.

Much more disappointing was the content of Lord Rothschild's remarks in the fact that the head of Great Britain's senior planning and policy body is unable to produce a more creative solution to our present problems than a return to the spirit of some 35 years ago. Our problems then, in the main, were the result of the actions of one somewhat psychopathic individual with a small moustache; our problems are now of a very much more complex nature and their solution requires much more than just a change in attitude.

On the evidence of Lord Rothschild's remarks, one of the first items that we cannot afford is undoubtedly the so-called "Think Tank."

P. W. Moorhouse.
Round Hale, Love Lane, Kings Langley, Herts.

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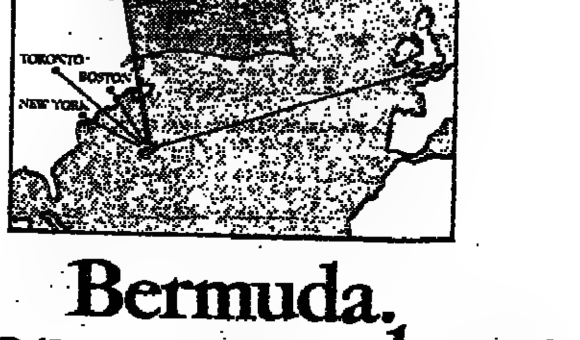

Bermuda. It's on your way home.

IH £0.7m. up t midway

PRE-TAX PROFIT of Industrial Holdings rose to £3.07m. for the six to June 30, 1973, and the are confident the trend tinue. The figure includes ing profits of £60,000, £110,000.

year's total, adjusted to non-trading items and the of the Inclusive Holidays now sold, was £5.55m.

erim dividend of 2.5p net ed equal to 3.57p gross. r there was a single pay- 9.1875p gross.

rectors say the first-half onfirm the prediction in man's statement that the for the group have been ished by the sale of the division.

erformance of the ship- division during the period outstanding; the insur- oking and freight move- isions are up to expecta- d their results for 1973 ery prospect of being in last year.

the same is true of Ship- some commitments into by Seabridge e freight market was low present levels are. ted, holding back the full of the present buoyant s. Due to continued laims experience in the business from North insurance underwriting e area where 1973 profits y to be less than those in 1972; the development venture Dominion Insur- mpany of America, is ward satisfactorily.

rrent market value of the vastly increased. In the of the Board the gross ue of the fleet is over nes the current book £41m.

See Lex

bow hit by ply problems

MATERIAL and com- upply problems caused Holdings to miss its first-half turnover figure £500,000, the directors d profits have also been o some extent by cost and variations in the aix.

profit for the six months June, 1973, fell from £289,651 to £240,386 on turnover of £3.91m. compared with £2.43m. Chairman Mr. R. C. Bird describes the results as disappointing.

He also warns that the supply situation has deteriorated since June, and the result must be a further reduction of profit in the second half, compared with the 1972 last six months. Pre-tax profit for the whole of 1972 was £707,960.

As forecast at the time of the Offer for Sale, an interim dividend of 1.225p net equivalent to 1.75p gross is declared.

The interim dividend on 2,448,454 shares held by the chairman and his family will be waived.

	Half-year 1973 £	1972 £
Group turnover	2,905,671	2,428,635
Profit before tax	240,386	289,651
Taxation	127,500	123,200
Net profit	112,886	166,451
Extraordinary items	2,200	20,969
Attributable	115,086	187,440
Dividends	31,256	—
Retained	83,830	187,440

Aberdeen Construct. upturn

ON A TURNOVER of £21.41m., against £17.01m., profit of the Aberdeen Construction Group increased from £785,806 to £815,822 in the half-year ended June 30, 1973.

The interim dividend is 1.4583p net per 25p share—equal to last year 2.083p gross. The 1972 total was 5.25p paid from profits of £1.58m.

The loss-making units in the building division continue to have an extremely adverse effect on profits, a loss of £450,000 from three companies offsetting the gains from the remaining companies in the division. The rate of loss will diminish in the second half.

In spite of these losses, the directors are confident that profits for the year to December, 1973, are likely to be at a record level.

After tax £315,000 (£275,000) the net profit is £500,822 (£510,806) of which £498,332 (£511,684) is attributable.

Hoskins & Horton

HOSKINS AND HORTON has lifted profits for the first six months of 1973 from £165,400 to £185,600 before tax of £77,860, against £84,700. For the last full year, profits were £399,171 pre-tax £399.

The interim dividend is lifted from 1.6p to 1.68p gross—declared as 1.176p net. The 1972 final was 3.44p gross.

The directors report that all sections of the company were fully employed and they expect the final trading profit for the year is expected to be satisfactory.

TILLEY LAMP

Tilley Lamp pre-tax profits rose from £119,165 to £127,908 for the year ended June 30, 1973, on turnover improving from £1.43m. to £1.62m.

Tax is charged at £67,887 (£50,513) leaving net profit at £60,021 (£58,653). After withdrawal from capital investment grants reserve of £26,462 (£25,801), the balance is £86,483 (£84,453).

A final dividend of 4p, 2.8p net, lifts the total payment to 5.25p (5p).

ANK BASE RATES

Irish Banks Ltd.	11 %
Eastern Bank	11½%
Portuguese Bank	11 %
Holdings Ltd.	11 %
de Bilbao	11 %
f Cyprus	‡11½%
randt's	11 %
k. of Commerce	12 %
ank of Mid. East	11 %
Shipley	11½%
Holdings	11 %
house Japhet	11 %
rtons	11 %
nates	11½%
dated Credits	11 %
ative Bank	*11 %
ian Securities	11 %
Lyonnais	11 %
awes	11 %
Day	11½%
Brothers	11 %
& Co. Ltd.	11½%
Lawrie	11 %
Transcont.	11 %
Maryland	12 %
	11½%
Gibbs	11 %
m Trust	11½%
und Guaranty	11 %
ss Mahon	11 %
os Bank	11 %
& Partners	11 %
amuel	§11 %
re & Co.	†11 %
S. Hodge	11½%
International	11½%
Kroll	11½%
Ullmann	11 %
rst Securities	11½%
& County Sec.	11½%
Mercantile	11½%
Montagu	11 %
te Mercantile	11 %
Grenfell	11 %
Wigram Ltd.	11½%
rn Comm. Tst.	11½%
an Guaranty	12 %
rothers	11½%
Refson & Co.	11 %
Rothschild	11 %
ry Axe Finance	11½%
Schwab	11 %
y Tst. Co. Bhm.	11½%
rd Guarantee	11½%
g Credit	11½%
g Industrial Sec.	11½%
srael Trade Bk.	11 %
eth Century Bk.	11 %
e Bros. Sassoon	11½%
iway Laidlaw	11 %
Vhyte	11 %
ist	12 %

rs of the Accepting Houses ittee.

deposits 9½%, 1-month 9½% and over, 9½% below.

deposits—£10,000 and under to £25,000 9½%; over £25,000

§ Deposits 10% £10,000 and under £10,000.

to M.L.R.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Grendon Trust, the property and industrial concern whose shares have risen sharply over the past month on persistent speculative demand, is now to receive a take-over bid arranged by the private interests of Mr. Christopher Selmes. The bid will value Grendon at nearly £20m. Eastminster, a private company which has Mr. Selmes on its Board, declared about two weeks ago a stake of 35 per cent. in Grendon acquired at prices ranging up to 255p. Since then the holding has been increased to 40.6 per cent., and Eastminster is to offer 295p cash per share to all holders.

Following an announcement two months ago that talks were being held with an unnamed party which may lead to an offer, **Man-Abell**, the quarry and brick company, has now agreed to a £3.9m. cash offer from **Thomas Tilling**. Irrevocable undertakings to accept have been given by holders of almost 33 per cent. of the Man-Abell equity. **Columbus Trust**, an unquoted company, has purchased 46 per cent. of the issued capital of **George Whitehouse (Engineering)** with an option on a further 10 per cent., and an offer at 27p per share is being made for the rest of the shares. Columbus, however, intends to maintain the Whitehouse quotation and expand the company in engineering and related activities.

Four of **James Finlay's** associated tea companies have agreed to a scheme of arrangement whereby Finlay is making share-exchange offers for the outstanding equity of each. The four companies involved are **Teith Holdings, Consolidated Tea and Lands, Cessnock Holdings and West Nile Holdings.**

G. and W. Walker, the unquoted catering and leisure concern built up by former boxers George and Billy Walker, has agreed in principle to a £2.8m. take-over by **Hackney and Hendon Greyhounds. Oriel Foods** announced exploratory discussions with **RCA Corporation** of the U.S. which may lead to a bid for Oriel, while **Dundee, Perth and London Securities**, a Slater Walker satellite, also disclosed that negotiations are being held which could result in an offer.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated						
Aberdare Hldgs.	18*	15	11½	2.9*	Hwkr.-Siddeley	—
ARV Hldgs.	180*d	176	153	2.0*d	St. Piran Mng.	—
Avonmouth Eng.	97	89	60	2.0	Brit. Dredging	—
Baxter (W. H.)	161	170	100	0.1	WGI	—
Brit. Overs. Stores	150*d	150	80	0.4*d	D. and W. Murray	—
British Sidac	100*	98	76	7.8*	UCB Group	4/10
Calgary & Ed. Lnd.	30½	28	27	1.5	Bank & Comm.	—
Cavendish Land	140*	137½	131½	45.5*	Legal & Gen.	5/10
Cessnock Hldgs.	158g	170g	150	1.2g	James Finlay	
Clifton Arms and Pier Hotel	950*	910	640	1.3*	Town Centre Secs.	—
Cons. Tea & Lands	187g	175g	170	2.2g	James Finlay	
Contractors Srvcs.	120*d	116	120	1.6*d	Mr. D. Blake	—
Conveyancer	54*d	51	27	3.2*d	Rubery Owen	
Court Hotels	140*c	130	140	0.9*c	Tollman Hotels	—
East and West Inv. Trust	61½	64	55½	2.5	Arbuthnot Latham	20/9
Ellis and Everard	200*	197	183	10.1*	Unilever	28/9
Gloucester and Chelt. Greyhnds.	65*	65	65	0.6*	Mr J G Walker & Mr R C Watson	—
Goode Durrant and Murray	£23.1d	£25	£22	4.7d	D. and W. Murray	—
Grendon Trust	295*	310g	300	19.8*	Eastminster	
Griffiths Bentley	27	23½	24	15.2	Bristl. St. Gp.	11/10
Hallam (Vic.)	175*	172	162	4.4*	Montague L. Meyer	10/10
Hickmet Palace Hotel	70*d	115	85	0.3*d	Cambourne Secs.	—
International Secs.	39½	33	35	1.4	English and Overseas Invs.	—
Inveresk Group	60	61	60½	7.8	Londn. & Cnty.	—
Kier (J. L.)	183	170	166	11.0	French (W. and C.)	—
Maclehose Grp.	50*	47½‡	47	0.5*	Suter Electrical	—
Man-Abell	170*	170	101	3.9*	Thomas Tilling	
Mann Egerton	218	192	134	18.5	Inchcape	—
Pope and Pearson	320*d	325	205	0.3*d	Coltness Group	—
Reliance Hosiery	49*d	47	42	0.6*d	Ashley Ind. Tst.	—
Slater Walker Inv. Tst. (SA)	58	50	54	7.3	Tokengate Inv.	—
Scot. Tea & Lands	—	28	34	0.7	Prop. merger	—
Standard Tea	—	56	90	0.7	Prop. merger	—
Teith Hldgs.	353g	335g	312	3.4g	James Finlay	
West Nile Hldgs.	319½g	310g	265	2.1g	James Finlay	
Whinsparken Inv.	46*d	46	46½	1.2*d	Mr. M. Vickers	18/10
Whitehouse (G.) (Eng.)	27*d	29	22	0.2*d	Columbus Trust	
Wilkinson Sword	77	69	69	4.9	British Match	—
Wilknsn. Sword 'A'	69	61	57½	13.4	British Match	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 28/9/73. k Based on 27/9/73. ‡ At suspension. † Bid.

Offers for sale, placings and introductions

Compagnie Francaise des Petroles: Quotation of 13,888,769 "B" shares.

David Dixon: Requotation of £511,482 Ordinary capital in 25p shares, and £54,770 6 per cent. Cumulative Preference shares of £1 each.

First Finsbury Trust: Quotation of £896,400 issued share capital in Ordinary 10p shares, and £1,123,500 5¾ per cent. Convertible Unsecured Loan stock.

G. A. Robinson Group: Requotation £825,709 issued share capital in Ordinary 25p shares.

Treasury Stock: Issue £600m. 10½ per cent. Treasury stock 1976 at £98.75 per cent.

Scrip Issues

Ben Bailey Construction: One-for-one.

Hunt and Moscrop (Middleton): Two-for-five.

Supra Chemicals and Paints: Three-for-five.

U.U. Textiles: One-for-one.

Watmoughs (Holdings): One-for-four.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Attributable* Pre-tax per share (p)		Dividends* per share (p)	
Ben Bailey Cons.	June 30	366b	(187)c	14.0	(7.1)	1.974	(2.35)
Campari	May 31	513	(447)	8.6	(7.5)	2.625	(2.5)
Change Wares	June 30	416	(314)	15.2	(11.5)	4.463	(4.25)
Customagic Mftg.	Apr. 30	253	(122)	4.8	(2.3)	3.0	(0.55)
Dolan Packaging	June 30	970	(637)	12.0	(7.9)	2.52	(2.4)
Forbuoys	June 30	1,317	(971)	33.6	(24.8)	7	(6.66)
Gordon & Gotch	Mar. 31	270	(228)	11.9	(10.0)	5.25	(5)
Homfray	June 30	2,809p	(1,835)q	21.4	(14.0)	6.563	(6.25)
Hunt & Moscrop	June 30	372	(314)	3.2	(2.7)	0.984	(0.938)
Leisure & General	Apr. 30	537	(327)	8.2	(5.0)	1.47d	(1.4)
Ldn. Ans. & Gen.	June 30	4,313	(451)	10.9	(1.2)	1.89	(1.8)
McLeod Russel	Mar. 31	174	(80)	7.7	(3.4)	5	(5)
Ramar Textiles	Apr. 28	133	(40)	2.3	(0.6)	0.6875	(0.375)
George H. Scholes	June 30	1,615	(1,278)	37.7	(29.3)	13.363†	(17.5)
Charles Sharpe	June 30	679b	(429)r	151.0	(95.5)	21.28	(22)
Silverthorne Grp.	June 30	313 l	(247)	9.0	(7.1)	3.4 l	(—)
Strong & Fisher	May 31	736	(358)	29.2	(14.1)	4.725	(4.5)
Town & Commercl.	Mar. 31	676	(436)	7.0	(4.7)	4.8	(4.8)
U.U. Textiles	Apr. 28	222	(205)	8.0	(7.4)	4.2	(4)
Willows Francis	June 30	158	(118)	11.6	(8.5)	2.1	(2)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Alexander Shippg.	June 30	289	(72)	2.1†	(3)
Amalg. Industrials	June 30	559	(69)	0.75	(Nil)
Amal. Metal	June 30	1,530	(504)	—	(—)
Armitage Bros.	July 14	105¶	(88)a	—	(—)
Assocd. Leisure	Aug. 12	761h	(428) i	—	(—)
Beauford Group	June 30	161	(161)	0.875d	(—)
Bensons Systems	June 30	310	(240)	1†	(1.4)
Brent Chemicals	June 30	162	(91)	0.25	(0.25)
Brierleys	June 30	200	(187)	0.84†	(1.2)
British Vita	June 30	1,020	(450)	1.925†	(2.5)
Brooks Watson	June 30	856	(21)	1.4‡	(0.5)
Business Comptrs.	June 30	83	(73)	0.7†	(1)
Cdbry. Schweppes	June 16	13,642m	(10,555)	0.6563†	(0.9375)
Clarke Chapman	June 30	2,044	(1,617)	1.4†	(2)
Coltness Group	June 30	209	(94)	0.643d	(0.6125)
Combined Austin	Mar. 31	60	(27)	—k	(0.5)
Comb. Eng. Stores	July 28	1,006	(448)	1.05†	(1.5)
Cons. Tin Smelters	June 30	2,206	(1,210)	Nil	(Nil)
Croydex Rubber	June 30	220	(177)	1.176†	(1.6)
Dawson & Barfos	June 30	174	(8)	0.35d	(Nil)
Delta Metal	June 30	12,642n	(9,006)	1.65d	(1.58)
Dickinson Robnsn.	June 30	9,072	(6,440)	1.75†	(2.5)
C. Early & Marriott	July 31	153	(137)	0.315†	(0.45)
Andrew R. Findlay	June 30	155o	(129)	0.5d	(—)
First Nat. Finance	June 30	9,015	(5,628)	1.05†	(1.5)
Fisons	June 30	6,547	(3,801)	3.675†	(5.25)
Foseco Minsep	June 30	4,722	(3,535)	1.0731†	(1.46)
Stanley Gibbons	June 30	148	(60)	1†	(0.75)
Gough Brothers	July 28	119	(88)	1.4	(1.4)
Hanger Invests.	June 30	179	(105)	—j	(1)
Harrison & Sons	June 30	248	(161)	1.4875†	(2.125)
Norman Hay	June 30	145	(110)	0.7†	(1)
Houlder Brothers	June 30	1,315	(646)	5.46†	(7.5)
Houlder Line	June 30	301	(205)	2.94†	(4)
Inter-City Invest.	June 30	241	(204)	0.63†	(0.875)
John Laing	June 30	5,643e	(3,173)	0.75†	(1)
Laurence Scott	June 30	620	(326)	0.7†	(1)
Liberty	July 31	231	(116)	7.35†	(10)
Alfred Marks	June 30	424	(34)	1.023†	(1.25)
Bernard Matthews	July 15	274¶	(409)	2.625†	(3.75)
Metalrax	June 30	288	(205)	0.49†	(0.667)
Modern Engnrs.	June 30	116	(48)	0.525†	(0.75)
Nth. Estrn. Timber	June 30	335§	(150)	1.05†	(1.5)
Ozalid Group	June 30	3,309	(2,708)	2.02†	(2.75)
Pentland Industs.	June 30	110	(47)	0.25	(—)
Harold Perry	June 30	513	(385)	1.75d	(—)
Rdy Mxd Concrete	June 30	7,212	(5,037)	2.2†	(3)
Rotaflex	June 30	477	(264)	0.5075†	(0.687)
Ruberoid	July 1	238	(205)	0.7†	(0.625)
Sangamo Weston	June 30	383	(321)	—	(—)
Selincourt	July 31	908	(641)	0.33†	(0.45)
Francis Shaw	June 30	40	(172)L	Nils	(Nil)
Simon Engrg.	June 30	1,903	(1,574)	2.1875†	(3.125)
Solicitors Law	June 30	589	(519)	1.26d	(—)
John & E. Sturge	June 24	311t	(354)u	1.4†	(2)
Tate of Leeds	June 30	126	(72)	—	(—)
Thomson Orgnstn.	June 30	5,474	(3,332)	1.73†	(2.14)
Thomson T-Line	June 30	264	(154)	3.925	(3.75)
Tilbury Contractg.	June 30	1,041	(1,143)f	5†	(5)
Tomatin Distillers	June 30	282	(148)	0.75†	(1)
Tootal	Aug. 4	7,779	(4,092)	0.7†	(1)
T.P.T.	June 30	1,026	(784)	0.7†	(0.8)
Universal Grinding	June 30	1,807	(948)	1.4375†	(2)
Utd. Newspapers	June 30	4,131	(1,888)	3.9594†	(5)
Wadham Stringer	June 30	1,054	(913)	0.56†	(0.8)
Watmoughs	June 30	102	(80)	0.9†	(1.25)
George M. Whiley	June 30	321	(323)	1.75†	(2.5)
George Wimpey	June 30	12,800	(5,500)	—	(—)
Winn Industries	June 30	320	(218)	1.05†	(1.3)
Winsor & Newton	June 30	280	(230)	2†	(2.75)
Wolstenhlm. Brnz.	June 30	492	(410)	1.75†	(2)
H. Young (Mtrs.)	May 31	26g	(36)	0.875†	(1.25)

(Figures in parentheses are for corresponding period.)

* Adjusted for any intervening scrip issue. † Net—against gross. ‡ Anticipate not less than 3.4p (2p) total. § Forecast profits for year to exceed £0.67m. (£0.4m.). ¶ For 28 weeks. a For 29 weeks. b For 12months. c For 15 months. d Net. e Forecast at least £9m. (£7.18m.) profits for year. f Includes £805,890 exceptional profit. g Reaffirmed forecast of £75,000 profits for year. h For 13 weeks. i For 12 weeks. j Decision on dividend payment deferred. k Forecast maintained dividend for year. l Compared with May, 1972, prospectus forecast of £200,000 profits and 2p dividend. m For 24 weeks. n Forecast profits for year to exceed £25.2m. (£19.3m.). o Confident to exceed £275,000 profits forecast made in June, 1973 prospectus. p For 52 weeks. q For 53 weeks. r For 18 months. s Forecast 2p gross final dividend. t For 25 weeks. u For 26 weeks. L Loss.

INTERIM STATEMENT

The Royal Sovereign Pencil Company Limited

INTERIM REPORT

for 6 months ended 30th June 1973

	1973 £	1972 £
Group Profit before Taxation	253,543	182,381
Net Earnings	123,658	94,278
Interim Dividend	1.01p net (equiv. 5.7714%)	5.5%

The Chairman, Ralph Patterson, reports on the unaudited figures above:

"In my report of May this year, I mentioned the confidence shared by all Members of your Board for the future expansion of your Company. I am pleased to be able to justify my statement fully with the figures shown, where the unaudited pre-tax profit for the half year shows an increase of £71,167 over that for 1972. Furthermore, I am glad to be able to assure you that sales in the current period are above our forecast. It is proposed to pay an Interim Dividend of 1.01 pence per Ordinary Share net of A.C.T. being the equivalent of 5.7714% under the former taxation system (1972 5.5%) the maximum permitted under Phase 2 of the Prices and Incomes Policy. This Dividend will be paid on 15th November 1973 to Shareholders on the Register on 29th October, 1973.

During the first half-year we have been negotiating the sale of various properties either surplus to, or becoming surplus to our immediate requirements; and the purchase of the freehold of the Head Office and Works at Highbury, London, currently held on lease. The result of all these separate transactions will be shown in the Consolidated Accounts for the year 1973, and will disclose a satisfactory increase in the net assets of your Company."

Lewston has £44m. invested in Europe

Lewston International, which less than a year ago took its first step into Europe, already has property developments there worth £44m.

These are spread through Paris, provincial France and Germany, Mr. A. Findlay, the chairman, told shareholders at the meeting yesterday.

"Commercial developments—mostly office blocks—fully negotiated and under construction have a capital value of approximately £9m.," he said.

"Developments under option total £13m., and a further £17m. is in an advanced stage of negotiation"—to settle either contract terms or the option basis.

"In France, residential developments under construction have a value of £4m. and another £1m. is under option."

In the U.K., the group's construction division had good order books, Mr. Findlay added, but was facing the problem of difficulty in obtaining supplies and labour. Sand and gravel extraction, however, had made an "excellent" start to the year.

"Taking the Lewston group as a whole," said Mr. Findlay, "the Board anticipate a satisfactory profit performance for the current financial year."

STOCK EXCHANGE EXAMS.

November 1973

Two Intensive Week-end Courses at the Manchester Business School. Friday 19.30 hrs. to Sunday 17.00 hrs.
Accounts: Oct. 12/13/14 1973
Taxation: Nov. 2/3/4 1973

Please contact Peter Loxton:—
The Compact City Courses Co., 3, Shepherd St., London, W.1.
Tel. no: 01-492 1705.

Geo. Mallinson half way profit doubled

Current buoyant conditions in the textile industry and the effects of two years of reorganisation have doubled George Mallinson and Sons' half-year profits before tax from £63,268 to £130,513, reports chairman Mr. J. Harpin.

The order book indicates that full production will be necessary for this woollen and worsted cloth manufacturer well into 1974, he adds.

Provided that high production can be maintained—the only serious constraint being a shortage of suitable operatives—the full year's figures should show a "very welcome recovery" from the £117,841 pre-tax profit for the year to February 17, 1973, he tells members.

An unchanged interim dividend of 0.525p net, 0.75 gross, is declared. Last year's total payment was 2.625p gross.

The chairman also states that Illingworth Morris and Co. now holds an interest in 38.5 per cent. of the Ordinary share capital.

Toye recovery continues

The recovery of Toye and Co.—the civil and military badge and ribbon concern—continues, the directors report. They feel that the company can look forward to a satisfactory year.

Half year pre-tax profits to end-June, 1973, are £90,970 on group sales of £1,105,000. The 1972 half year figures, which did not include Darrs Badge Company, acquired in July that year, were £56,600 on sales of £952,000.

The 1972 dividend was 6 per cent. gross paid on a pre-tax profit of £185,296.

CORNWALL PROPERTY

Profit progress of Cornwall Property (Holdings) for the year to date was ahead of forecast and certainly ahead of last year, reported chairman Mr. Ron Shuck at the annual meeting.

Looking ahead he said that within three years he expected to see one third of the company's earnings being generated overseas.

C. S. WIGGINS

C. S. Wiggins and Sons has introduced a "matched deposit" scheme to help would-be buyers of low-cost homes, chairman Mr. Cyril Wiggins told the annual meeting.

The company will match the deposit up to £500 of any buyer of a new Wiggins Home under £12,750 in Essex, East Anglia or Kent, exchanging contracts before January 31 next year.

HAWTHORN BAKER

Results so far this year more than justified the indication in the chairman's review that it could expect a further increase in profits in 1973-74, shareholders were told at the annual meeting of Hawthorn Baker.

CENT ISSUES

EQUITIES

Issue Price	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price	+ or −	Div. & or Amount	Times Covered	Gross Yield	P/E Ratio
		—	140	120	BG. Securities (50c)	120	......	c15	1.6	5.6	9.7
		—	£24½	£21⅛	BankAmericaCrpS3.125	£24½	+⅛	$1.14	—	1.6	—
		—	154	126	Bearer (CH) 10p	154	+6	‡4.65	2.1	5.8	11.3
		—	£18⅝	£16	Bell & Howell	£18⅝	+⅝	84c	—	1.8	—
		—	63½	46	Chatmance (10p)	56	......	y4.55	T1.7	8.9	6.6
		—	£25¼	£24½	Cie FrancesPetroles 'B'	£25¼	+⅛				
		—	67	65½	James Austin Steel	65½	......	b14	2.4	7.5	7.9
		—	63	50	Jones Group (10p)	59	......	b31	1.6	5.2	::
		—	55	92	Overstone Inv(12½cts)	92	−5	—	—	—	—
		26/10	165	164	PrinceofWales(S'port)	164	......	9.5	3.1	2.2	20.2
		—	£55⅝	£53⅝	Richardson, Merrell	£54¼	+⅞	$1.65	—	1.2	—
		—	£14⅝	£11¼	TRW ($1.25)	£14⅝	+⅛	$1.01	—	2.4	—
		—	55	20	Town&City war.forord	54	−1	—	—	—	—
		—	78	69	Wearwell (5p)	75	+9	‡4.2	1.7	4.7	17.9

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price	+ or −
		—	72p	67p	Benlton (Wm.) 8½% Cum. Red. Prf.	67p	......
		—	97½	95	Carding Invs. 9½% Gtd. Cnv. Uns. 1993	96	......
		26/10	103	92	East Anglian Water 7% Red. Prf. 1978	92	......
		24/5	94½	89½	Grendon Trust 11% Uns. 78/81	91½	+½
		26/10	103	92	Hartlepools Water 7% Red. Prf. 1978	92	......
		—	$100⅞	$100½	Lancs. C.C. 8½% US$ Bds. 78-81	$100½	......

Issue Price	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price	+ or −
::	F.P.	18/10	103½	85	Lloyds Bank 7½% Cnv. Uns. Sub. Ln. 1984	103½	+¼
::	F.P.	2/11	91	90½	Midland Bank 10% Sub. Ord. Uns. 93/98	90⅝	......
::	F.P.	2/11	98½	90¾	Do. 7½% Cnv. Sub. Ord. Uns. 83/93	98½	+1¾
£95	F.P.	19/10	95¾	92½	Rickm'nsw'th & Uxb'dgeWater7%Red.Prf'78	92½	......
£100	F.P.	—	98¼	79	Rolls-Royce Motors 8% Cnv. Cns Ln.97/2002	81	+2
●	£25	23/11	30	25½	Tower Assets 10% Conv. Loan 1983	25½	+½

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Dates †	‡	Stock	Closing Price p	+ or −
A81	nil	—	—	Argo Invs.	42pm	......
28	F.P.	7/9	12/10	Chambers & Fargus	28	......
60	F.P.	21/9	19/10	Hammill Brick	76	+5
10	F.P.	11/9	12/10	Smith Holdings (Whitworth)	13	......

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital: cover based on dividend on full capital. p Pence unless otherwise indicated. J Figures based on prospectus or official estimates for 1973. P Figures based on prospectus or other official estimates for 1971. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ‡ Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ Issued by way of rights. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡ Issued in connection with reorganisation, merger or take-over. ‡ Introduction. ◆ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ‡ With warrants.

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*Financial Times—Actuaries All-Share Index.

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FT 29/9

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Loss of 6.17 ends advance

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Sept. 28.

PROFIT-TAKING drove prices down on Wall Street yesterday in a continuation of the trend that set in towards the close yesterday.

The Dow Jones Industrial Average closed 6.17 down at 947.10 to end a gaining upsurge sustained through seven straight sessions. The loss cut back the advance on the week to 19.20. The NYSE All Common Index lost 23 cents to $58.51.

Volume totalled 16.30m. shares (23.66m. yesterday) while declines led advances 775 to 652.

Some analysts were pleased at the market's technical correction, which they felt had to occur before the market could resume any strong upward momentum.

Michigan National Bank of Detroit, lowered its prime rate ¼ point to 9¾ per cent. late in the day, but like yesterday's more by the Southwest Bank of St. Louis, which dropped its rate a ¼ point to 9¾ per cent. this was not sufficient to reverse the general mood of the market.

Some "Glamour" stocks were among the larger losers. Digital Equipment dipped $5¾ to $98½. Corning Glass $4¼ to $115¾. Xerox $2¾ to $143¼. IBM $2 to $258 and Texas Instruments $1 to $120.

Sohio gave up $1¾ to $141. Coastal States Gas, the most active issue, gained $2¼ to $11¾ on 528,300 shares.

Prices closed slightly lower in moderate trading on the American Stock Exchange, where the Index declined 0.06 to 105.41. Declines led advances 424 to 362 in a volume of 2.43m. shares (3.03m.) yesterday.

OTHER MARKETS

Canada higher

Prices closed sharply higher on the Canadian markets yesterday on very active turnover. Industrials added 1.40 at 225.30, Golds 0.23 at 265.59, and Base Metals 1.19 at 106.71, but Western Oils were off 2.36 at 243.36.

PARIS—Broadly easier with some profit-taking in moderately active trading.

Foods and Electricals posted the heaviest losses. Thomson Brandt yielded Frs.1.2 to Frs.263.8 and CSF also eased despite increased first half profits and forecast.

BRUSSELS — The market continued Thursday's upward trend in moderately active trading. GB-Entreprises was Frs.35 lower at Frs.2,675 in Stores, but Electricals, Glass-makers, and Industrials improved.

AMSTERDAM—Hoogovens lost Fl.1 to Fl.64 in irregular Dutch Internationals.

Deli continued higher in otherwise weaker Plantations. Investment Funds and Insurances were firmer.

OSLO—Banks improved while Industrials were irregular.

VIENNA—Slightly easier.

COPENHAGEN — Generally lower.

GERMANY—Easier, one cause of the selling being the expected rise in German domestic money rates next week.

Leading Banks, Electricals, Steels and Stores eased up to DM3, but Karstadt added DM4 to DM366.

SWITZERLAND—Prices reacted to the sharp rise of the last two sessions with a considerable amount of profit-taking.

Banks and Financials drifted lower, with Hypo Brugg and Elektrowatt isolated firm spots.

MILAN—Generally higher in active trading with buying interest renewed after recent losses.

Snia Viscosa advanced Lire65 to Lire2,535 while Anic, Montedison, Fiat, both Pirelli and Olivetti made ground.

AUSTRALIA — Shares moved higher in moderate trading, and most moves were small.

Mines and oils closed with no clear trend but industrials gained.

Hamersley Iron fell 10 cents to $A1.65, but Peko-Wallsend added 2 cents at $A5.02, and Mt. Lyell 3 cents at $A1.35.

TOKYO—Prices opened actively higher but then eased on profit-taking. The S.E. Index closed 0.03 down at 350.06, while volume totalled 120m. shares (100m.).

Honda Motor, closing Y28 off at 692, led the decline. Sony lost Y70 to 4,680, Alps Electric Y23 to 630, TDK Electronic Y37 to 920 and Pioneer Y35 to 885.

JOHANNESBURG—Gold shares moved irregularly in light trading. Vaal Reefs gained 50 cents at R20.50, but Buffels lost 50 cents at R17.00.

Platinums were harder with Lydenburg up 7 cents at R2.15 Coppers were steady. Industrials were mixed in moderate trading.

Indices

NEW YORK

DOW JONES AVERAGES

[illegible]

STANDARD AND POORS U.S. STOCK INDICES

	*Ind Ord.	*Composite
Sept. 25	121.58	109.45
27	122.34	109.05
26	122.15	108.53
25	121.30	108.05
24	120.32	107.35
21	120.32	107.20
[illegible]	[illegible]	[illegible]

STOCK AND BOND YIELDS

[illegible]

FRIDAY'S ACTIVE STOCKS

[illegible]

IND. DIVIDEND YIELD p.c.

[illegible]

N.Y. SE ALL COMMON INDEX

[illegible]

RISES AND FALLS

[illegible]

New Highs	53	81	64	66	68
„ Lows	5	4	4	5	7

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1973 High	Low	Fri.	Thurs.	Wed.	Tues.	Mon.
105.50 (28/9)	99.75 (17/9)	105.41	105.47	105.80	104.65	103.61
Volume (000's)		2,430	3,028	3,756	3,725	3,380

TORONTO

INDUSTRIAL INDEX

[illegible]

MONTREAL

INDUSTRIAL INDEX

[illegible]

COMBINED INDEX

226.07	224.74	240.23 (12/1)	206.53 (22/5)

JOHANNESBURG

	Sept. 28	Sept. 27	High	Low
Industrials	247.4	246.8	292.1 (10/7)	246.9 (27/9)
Gold	204.4	203.2	237.7 (6/1)	123.4 (10/4)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av. of Yields on 50 Leading Stocks	Sept. 20	Sept. 13	Sept. 6
On Dividends	5.28	5.22	4.90
On Earnings	8.82	8.87	8.15

SYDNEY ALL ORD. INDEX

[illegible]

HONG KONG INDEX

[illegible]

SINGAPORE INDEX

[illegible]

TOKYO NEW SE INDEX

[illegible]

EUROPE

[illegible]

* Herstatt Index Base Dec. 31, 1959. ‡ Base 100 Jan. 2, 1973. ** Swiss Bank Corporation Index base 100 Dec., 1968. (c) Closed. (m) Base 1963. (o) Base 100 1963. (p) Base Dec. 29, 1966. (bb) Paris Bourse Committee, base 100 1961 (d) Base 100 January 1, 1973. † Base 100 Jan. 4, 1968. ◊ Hang Seng Bank, base 100 July 31, 1964. § Straits Times Industrial. base 100 1966.

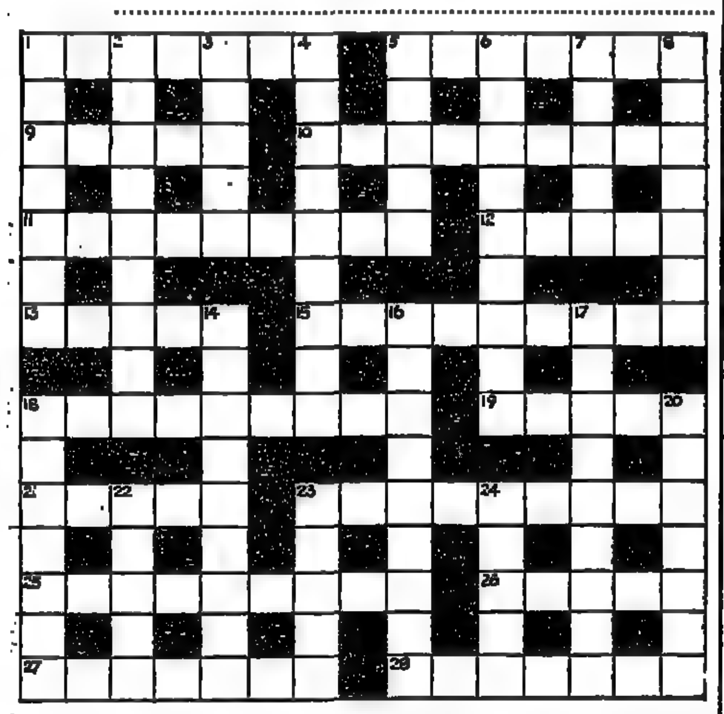
FT. CROSSWORD PUZZLE No. 2,287

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



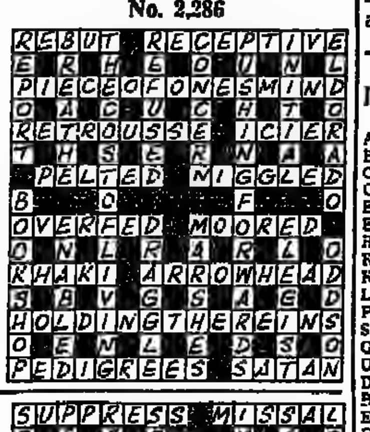
ACROSS

1 Fool sailor on a ship (7)
5 Start to throw a young bird (7)
9 Accumulate so as to be one ahead at Lords (3, 2)
10 Fuss over share of worship (9)
11 Cad takes mother some foreign port (9)
12 Provide two quarters subscription (5)
13 Upset if Reg brings sorrow (5)
15 Move about during holiday taken before invalid had dinner (9)
18 Horses are exercised in quick succession (2, 3, 4)
19 Herb or some other boy . . . (5)
21 . . . caught by girl of highest quality (5)
23 Mate shows way down to cabin (9)
25 Mineral discovered by a workshop bloomer (9)
26 Check cloth for port authority? I would (5)
27 Swell daughter has one way to finish (7)
28 No Poles on summit are going on expressly (7)

DOWN

1 Fiddle the verdict on make-shift gear on board (4, 3)
2 Study rigorous squeeze (9)
3 Current the French have in plenty (5)
4 Defer getting spectators' accommodation finished (5, 4)
5 Horseman has key to chamber (5)
6 Society of mutual benefit for those wanting to raise the roof (5, 4)
7 One competed to be covered in creeper (5)
8 Italians have information with nothing to see maybe (7)
14 Liberty in old Ireland (4, 5)
16 Accountant thanks to mum rushed off to boat (9)
17 Like to go by boat before worker meets attacker (9)
18 Fruitful growth area brings gold to Somerset town (7)
20 Waiting in a queue to be ruled (5, 2)
22 Collect suitable for a service (5)
23 Put in position we hear mentioned (5)
24 Poplar accommodates a southern writer (5)

SOLUTION TO PUZZLE No. 2,286



SOLUTION AND WINNERS OF PUZZLE No. 2,281

Following are the winners of last Saturday's prize puzzle:

Mrs. M. Andrews, 6 Wilcott Drive, Wilmslow, Cheshire.

Mrs. V. M. Giles, Flat 1, No. 4 The Beacon, Exmouth, South Devon, EX8 2AG.

Mr. E. Phillips, 6 Linton Court, Clarendon Road, Southsea, Hants PO5 2EF.

هكذا من الأصل

RACING

Sun Prince is best

by DARE WIGAN

AS WAS almost inevitable in view of his known dislike of soft ground—his only two defeats were in the Prix Morny at Deauville just over a year ago and in the 2,000 Guineas, on both occasions those conditions applied—Thatch will not be in the field for the Queen Elizabeth II Stakes (2.30) at Ascot this afternoon.

Instead, having been syndicated for a sum reported to be around £1m., the son of Forli will retire to stud with honours thick upon him and a long queue of superbly-bred mares demanding his attention.. In his absence, the race looks to be at the mercy of *Sun Prince*.

ASCOT
2.00—Hilo Girl
2.30—Sun Prince***
3.00—Pitskelly*
3.30—Pitcairn***
4.05—Angerstein
4.35—L'Apache
5.05—Ballynon
REDCAR
1.30—Early Morning
2.00—Magic Circle
2.30—Himawari
3.00—Court Circus
3.35—Dancing Boy

Not only will Thatch be missing this afternoon, but Vincent O'Brien has also withdrawn Cellini, who would have been automatic favourite for the Royal Lodge Stakes (4.05). However, it is on the cards that Cellini's owner, Mr. C. A. B. St. George, will win with *Angerstein*. Although Capt. Ryan Price is emphatic that Giacometti is far and away the best two-year-old in his stable, he has a useful prospect in *Angerstein*, a colt by Relko, out of a mare by Ballymoss. *Angerstein* has had three races, all of them at Bath, and he has won the last two, both over 7 furlongs, easily. He stays well and is probably improving.

Whereas the Queen Elizabeth II Stakes looks like devolving into an easy victory for *Sun Prince*, there is the prospect of a keen contest for the Trafalgar House Handicap (3.00). So convincing was *Blue Cashmere* when winning the Burmah Castrol Ayr Gold Cup last Friday that it is not surprising that he has been made favourite to carry a 7 lbs penalty to success, for even with it his weight is only 8 st 7 lbs.

Although he has yet to attempt seven furlongs, there is no reason why, judged on breeding, he should not stay this distance, but I have a feeling that he may be too close in the weights to *Pitskelly*, who, after winning the Jersey Stakes at the Royal meeting here, was runner-up to Thatch in the July Cup at Newmarket before finishing fourth behind Brook in the Hungerford Stakes at Newbury last month.

Pitcairn is the one I like best in the Ideal Homes Nursery Handicap (3.35) for I suspect that the handicapper would have allotted this colt by Petingo more than 8 st 13 lbs had he had access to the form of the Champagne Stakes at Doncaster in which *Pitcairn* finished a good third to Giacometti and Snow Knight at level weights.

With Peter Walwyn's two-year old in irresistible form it would probably be unwise to oppose *Hilo Girl* in the Cunard Stakes (2.00). *L'Apache*, who had been off the race course since the middle of May, ran by no means badly at Sandown last Saturday and, with that race under his belt, may provide the answer to the Cementation Handicap (4.35). And *Ballynon* looks like providing Mr. Philip Mitchell with a winning ride in the Trollope and Colls Stakes (5.05).

At Redcar, *Magic Circle*, who has been running consistently well without luck throughout the season, has the Royal Hunt Cup winner, *Camouflage*, to beat in Round 15 of the Crown Decorators' Apprentice Challenge Handicap (2.00). And Arthur Budgett, his trainer, may complete a double with *Court Circus* in the Tote Roll-Up Handicap (3.00) in which the form of the participants is so obscure that those who attempt to place the first six in correct order would be well advised to use a pin.

JOHANNESBURG

MINES

A.A. Corp.	5.95	
Buffels	‡17.00	−0.50
Charter	3.70	+0.15
Cons. Gold	†4.75	
E. Dries	6.85	−0.05
Elsburg	2.75	−0.10
Harmony	5.38	−0.17
Kinross	4.85	+0.05
Kloof	10.90	
Leslie	1.30	−0.07
Pot. Plats.	3.40	
St. Helena	†19.00	+0.25
Goldfields S.A.	†25.25	
Union Corp.	5.40	+0.05
De Beers Def.	6.05	+0.05
Blyvoors	6.15	−0.05
E. Rand Props.	6.30	−0.10
F. S. Geduld	19.00	+1.00
Pres. Brand	†18.00	−0.50
Pres. Steyn	‡17.00	
Stilfontein	4.00	
Welkom	5.23	
West Dries.	31.25	+0.25
W. Holdings	34.00	+1.50
West. Deep	14.30	+0.30

INDUSTRIALS

Anglo-Alpha Cement	1.35	
Anglo-Transvaal Industries	2.60	
Barlow Rand	3.73	+0.15
Beares	1.30	+0.10
CNA Investments	3.25	
Currie Finance	†0.83	−0.02
Edgars Consolidated Inv.	2.00	
Federale Volksbeleggings	2.30	
Guardian Assurance (SA)	1.60	
LTA	1.50	
McCarthy Rodway	1.45	+0.02
Melodys Holdings	†1.03	
Nedbank	6.15	+0.10
Nedfin	2.70	−0.03
OK Bazaars	8.80	−0.05
Ovenstone Investments	1.53	
Premier Milling	5.60	
Protea Holdings	1.57	+0.10
Rand Mines Properties	†2.75	+0.03
Retco	0.88	
Schlesinger Insurance	1.40	+0.05
Slater Walker (SA)	2.55	+0.05
Sorec	†2.00	+0.05
SA Breweries	1.62	+0.04
SA Eagle Insurance	2.60	+0.05
Syfrual	2.70	+0.05
Tiger Oats and Natl. Mllg.	6.40	
Tollman	1.25	+0.10
Trust Bank Africa	1.60	
Union Steel	0.40	

NOTES: Overseas prices exclude $ premium. Belgian dividends are shown after withholding tax.

♦ DM50 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated ♥ Ptas.500 denom. unless otherwise stated. ♠ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs: including Unilac div. p Net. s Div. and yield exclude special payment. t Indicated div u Merger pending. * Asked. † Bid § Traded. ‡ Seller. z Unofficial trading r Assumed. xr Ex rights. q Share split.

OVERSEAS SHARE INFORMATION

Investment $ premium based on $2.60 per £1—33⅛% (34%). Conversion factor 0.8065 (0.8011).

NEW YORK

[illegible]

CANADA

[illegible]

GERMANY ♦

[illegible]

MILAN

[illegible]

AUSTRALIA

[illegible]

AMSTERDAM

[illegible]

SWITZERLAND

[illegible]

PARIS

[illegible]

BRUSSELS

[illegible]

TOKYO ¶

[illegible]

Source Nikko Securities, Tokyo.

STOCKHOLM

[illegible]

OSLO ♣

[illegible]

COPENHAGEN

[illegible]

VIENNA

[illegible]

SPAIN ♥

[illegible]

In hot pursuit of to-day's woman

BY ELINOR GOODMAN

N-LOVING young going to have a lot to do this winter if to keep up with the hts into the Burton nd the mysteries of physiology as well home in order. This s offered the truth male orgasm in Eve, man's weekly from mpian, who until two published nothing ng than Electronic and Tunnels and As an alternative, a more serious look ilding with Inhabit, nthly from another women's magazines, Publications.

ne time her younger savour the delights issue of Osmonds' monthly from IPC which offers a free to the Osmond the lucky reader xplain exactly why em so irresistible.

e is a brief lull until ear, when IPC will ee new women's n two months. One Lady, IPC's new he women's weekly t already dominates aid publications as Woman's Own.

city

in the advertising "fast, funny and ly is aimed at me market as Eve who probably left is not very sophisti- ikes the world to and whose mother a loyal Woman whereas the Eve designed to appeal year-old age group, aimed at the 21 to s. (An important IPC, which sees r turning point in ng life.)

ll, says IPC in its s as different from the traditional woman's magazines as Liza Minelli is from Julie Andrews," and provide the solution to such questions as "what's a nice girl like you doing to that married man" and "who's been sleeping in my bed?" (Whether the man is the girl's husband is not certain at this stage.)

A week later IPC will launch a new monthly, Duo, run by the former editor of one of the group's most successful young publications, Honey. Like Osmonds' World, Duo is a slight digression from the titillating platform of most of the other new launches, but the emphasis is still firmly on brightness and fun. Duo, it is hoped, will appeal to the mature Honey reader in her more practical moments and will concentrate on the more down-to-earth manifestations of love—interior decorating, shopping, advice and general homemaking.

Finally, in March comes A Woman's World, another monthly from IPC which, like most of the other new magazines coming on to the market, looks like showing more than a passing resemblance to National Magazine's highly successful transatlantic transplant Cosmopolitan.

The reader of A Woman's World, will, however, judging by the picture on the front of the dummy, be nearer the traditional girl next door than the sophisticated bar-propping Cosmo girl. Even so, she is interested in having a good time and has a nicely developed sense of fun. "Do small men make better lovers" is one of the headlines in the advertisers' mock-up.

Morgan-Grampian's Graham Sherren (left) and IPC Magazines' Ted Court.

Television

Women's magazine publishing is probably more active now than it has been since the introduction of commercial television in 1955. The buyers at W. H. Smith's, who look at all new magazines to see if they are worth stocking, cannot remember a time like it. Nearly all magazines, even some of those with falling circulations, have benefited from the advertising boom, and profits are generally extremely healthy despite paper price increases. Indeed profits have in some cases been so good that publishers, with an eye to the Price Commission, prefer not to talk about them. Advertising media in general have had a difficult time in persuading the Price Commission of the need for higher prices, but magazines have probably had a harder time than most in keeping to their profit margin reference levels.

Advertising revenue from IPC four women's weeklies is running 15 per cent. above last year's level. This is in fact below the overall increase in advertising, which is about 20 per cent., but still an impressive gain for four magazines which until three years ago were having a difficult time persuading advertisers that there was still a future for mass circulation weeklies. Far steeper gains have been made by the home oriented magazines. IPC's advertising revenue from home interest magazines is 40 per cent. up on last year.

Cover price

Women's magazines are vulnerable to swings in advertising revenue and anxious to lessen their dependence on advertising and charge an economic cover price. So they have welcomed the signs that women are spending more on magazines. Until 1972 consumer expenditure on magazines was increasing at the rate of about 9.5 per cent. a year. In 1972 this figure rose to 14.5 per cent. Part of this increase was obviously accounted for by inflation, but part of it seems to be a real gain. The decline in magazine sales also seems to have halted, after a fall of 7 per cent. between 1967 and 1971.

If this is really so, then the magazine publishers' strategy of bringing new readers into the market by opening up new areas of readership is paying off. No-one seriously thinks that another Woman, with a current circulation of 1.8m. copies a week, could be launched now. Instead, magazine publishers, like other branded goods manufacturers, look for more specific areas of interest in the hope of breaking new ground.

It is this idea which is behind most of the successful new magazines which have come on to the market over the past two years. Until recently, for instance, there was almost nothing in the way of magazines for the pop-loving teeny bopper. Now there is a vast array, with seven new titles coming out of IPC alone in the first five months of this year.

The temptations of this market are obvious for a publisher. Dependence on advertising is small—in some cases non-existent—and the launch and staff costs are minimal. A monthly pop magazine with modest circulation targets can break even within weeks, whereas a big circulation weekly is lucky to make money within 18 months, though the rewards are proportionately greater with a successful weekly. The pop magazines may have short life cycles, but while riding on the boom they can, like Fabulous 208, double their sales in 18 months. Now, however, the teeny bopper magazines seem to be peaking out and magazine mergers are likely over the next few months unless another group like Osmond Brothers appears to rekindle young passions.

Marketing

It is this same idea of target marketing which partly explains what at first sight appears to be the current sexual obsession of publishers. Spurred on by the success of Cosmopolitan, and to a lesser extent the success of Audrey Slaughter's Over 21 and National Magazine Company's She, publishers have realised that women like a little bit of fun with their magazines. The young generation, with its new-found spending power to tempt advertisers, is no longer satisfied with the old "knit your own royal family" concept.

Given the current buoyant state of the advertising market, it is tempting to think that publishers are jumping on the new magazine band wagon purely with the idea of making a quick in-and-out profit. But both IPC and Morgan Grampian insist this is not the case. "You can't afford to launch a weekly on the basis of short term advertising revenue," says Ted Court, managing director of IPC Magazines. "The concept has to be good enough to attract readers in the long term."

He points to the improved advertising sales system introduced at IPC over the last two years and the recent promotional activity with newsagents as a sign of the underlying strength in the company's magazine operations.

Until last year, IPC had not launched a new general interest weekly for women for 14 years. Then came the short life of Candida. Aimed at filling what IPC saw as the gap for an up-market women's weekly, it was meant to appeal to the BBC2-watching, colour-supplement-reading woman prepared to spend 10p a week on a magazine. Unfortunately it did not—partly because of the tragic death of Miss Jean Twiddy, the woman whose concept it was, and whose belief in it might have steered it to success. As it was, it closed after seven issues.

Pretentions

With 1st Lady, IPC has dropped its up-market pretentions. It is going for a more sophisticated reader than that of Woman, but she is expected to come from the same social background. The cover price is 2p less than that charged for Candida, but it still represents a further step by IPC in its policy of reducing its dependence on advertising. Advertising revenue is budgeted to be 48 per cent. of total revenue as against 55 per cent. for the existing women's weeklies, two of which went up 1p to 7p last week. The print order is 750,000, with a guaranteed net sale of 500,000—a rather more ambitious target than that set for Candida.

For Morgan-Grampian, its launching of a woman's weekly is something of a baptism of fire. A general-interest weekly is generally considered the most difficult an dexpensive test of a consumer publishing group. For a company to jump straight in and launch a weekly without testing the water first with a monthly is raising some apprehensive eyes in the women's publishing world.

Morgan-Grampian's strength is in business publishing (it recently bought some provincial newspapers, but is now planning to sell them again). It publishes 32 titles in the trade field and two years ago launched three business magazines in the U.S. At the same time, with Graham Sherren as chief executive, Morgan-Grampian bought Spotlight Publications from Rupert Murdoch and moved into the consumer field with magazines like Sounds and, later, Pop Swop. Earlier this year Sherren bought Over 21 from Audrey Slaughter and its other directors. Miss Slaughter has stayed on as editorial director.

Holland

When making its bid for Over 21, Morgan-Grampian was competing with Holland's largest women's magazine publishers, VNU. Like Morgan-Grampian, VNU was determined to break into what it sees as the highly lucrative British market for women's magazines, and now VNU has bought half of the Over 21 company in conjunction with Mr. Geoffrey Perry, to form a joint operation with Morgan-Grampian. Already there are plans to launch at least one more weekly and two monthlies.

Women's magazines, it is said, are a more accurate reflection of the standards of society as a whole than the cinema. So it is interesting to note the latest whodunnit in Over 21. The question is not "who killed who?" but "who made who pregnant?"

our News

for peace talks Kodak dispute

ABOUR REPORTER

RE fresh moves ry to restart peace dispute which has ocessing at Kodak's stead plant for the .

Sapper, general the Association of , Television and cians, contacted the of the film merican parent to offices in restarting

the executive of "house" union, Kodak Workers, is have eased some ditions to a peace up to now imposed.

of six TUC unions nition at Kodak, o house unions are e recognition issue osely entangled in dispute over a pay ting new processing ich has involved T members in a at has delayed the colour slides and

on of action by 's led to the shut- ssing on Tuesday the deadlock is the company will art laying off some workers, mainly women, at the Hemel Hempstead plant.

No lay-offs are now expected before next week. There is also the threat that if the shutdown is prolonged there could be redundancies among workers on Kodakcolour print processing which faces stiff outside competition.

The UKW had previously been insisting on a prior meeting with the ACTT before the two unions and the company got together to discuss the Hemel Hempstead dispute. The UKW is now thought to have dropped this precondition—which was unacceptable to the ACTT—but the house union wants ACTT to first de-escalate its action and stop blacking the supply of chemicals to process machines manned by UKW members.

The company and ACTT, however, cannot agree over whether shop stewards should attend the full tripartite meeting and talks could easily break down again if ACTT sought to press any procedure agreement which might be interpreted as implying recognition.

The company is refusing to discuss recognition with ACTT while Department of Employment conciliation staff are still trying to restart national talks between the company, the UKW and the six TUC unions.

EF to seek better from British Rail

rivers' union yes- its pressure on for speedy new ver a pay re-struc- ge offer, which he basic rates of to £6.20 a week.

main rail union, Union of Railway- it is happy at the made in the re- lks, the Associ- of Locomotive Firemen is seek- ble improvements offer.

y's long-awaited he railway staff , ASLEF rejected as it currently cing party on the collar rail staff is ted so the train was unable to get ping.

ressure from its hes for a speedy SLEF is pressing meeting of the nal within two the white collar y should have rk.

members of ASLEF officially banning luation trials of train in protest of time the talks er re-structuring, absorb most rail basic rates, reward shift work and payment for train crews and permanent way men for handling higher speed trains.

The whole package would cost about £50m. a year for more than 200,000 railway workers once fully implemented, though British Rail is planning to phase in the proposed new deal over 2½ years.

ASLEF opposes the staged introduction of the package even if this means additional problems at the Pay Board, which ultimately will have to vet an agreed deal.

Mr. Ray Buckton, ASLEF general secretary, commented: "Any difficulties encountered because of Government legislation should be dealt with as a separate issue."

William Press peace move fails

ANOTHER ATTEMPT to settle the six-week-old strike of 240 workers at the Howdon oil rig yard of William Press Production System in Newcastle-upon-Tyne ended in failure yesterday. The company made no new offer at a meeting with union officials.

The strikers, who want a bad weather payment of £1.25 an hour have turned down an offer of 90p. They will meet again on Monday.

Ward allowed to buy into Tunnel Cement

BY NICHOLAS OWEN

THE CITY Takeover Panel has given special approval to a scheme enabling the Thomas W. Ward group to buy a stake in Tunnel Cement without being required to bid for the whole company.

Ward disclosed yesterday it was the purchaser of 26.6 per cent. of the shares in Tunnel from the Danish F. L. Smidth cement machinery supplier.

Votes position

The shares involved carry 40 per cent. of the votes in Tunnel, and under the City Takeover rules such a purchase would normally involve a full offer being made for the remaining equity.

Ward is buying 2,742,910 "A" shares and 382,181 "B" for £8.3m. With the Panel's consent, Tunnel shareholders will be asked to agree that the "A" shares involved be re-designated "C" and carry fewer voting rights.

If approved, this move would reduce Ward's voting power to less than 30 per cent.

There has been speculation in the Stock Market that a bid would be coming. On Thursday, Tunnel announced that Smidth, which originally controlled the British company, was negotiating to sell its holding.

Yesterday it was explained that Smidth considered the investment conflicted with its role as a major supplier of machinery to the U.K. cement industry.

Extensive cement interests are already held by Ward through its Ketton Portland Cement subsidiary, which in turn owns half of Ribblesdale Cement. The other 50 per cent. is held by Tunnel, and the companies claimed the share deal was "a logical development" of their existing relationship.

Ward, which will be able to consolidate a proportion of Tunnel's earnings in its own results, listed three main potential projects which will boost cement demand: the Channel Tunnel, Maplin Airport, and North Sea oil.

Demand for cement was extremely high in the first six months of 1973. Tunnel's pre-tax profits for the year to April 1 rose 24 per cent. to £5.18m., largely on improved results in the second half of its financial year.

Ward, which is to have two directors on the Tunnel Board, said it foresaw continuing growth in cement, although at a lesser rate than in the first half of this year.

The deal involves Ward in paying £3.2m. cash initially, and the balance in six-monthly instalments beginning in April next year, bearing interest at 11½ per cent a year.

Lex, Back Page

'Bacon a luxury'—MPs blame EEC

BY PETER BULLEN

THE EFFECT of Britain's Common Market membership on bacon supplies and prices was described as a "savage attack on the British breakfast table" by the Open Seas Forum yesterday.

Tory MP Mr. Richard Body, chairman of the Forum, an all-party group of MPs and others who are against the EEC, said in London it was time Britain got out of its present wonderland situation in which food subsidies were being discussed while taxes on food were being imposed because of EEC regulations.

Mr. Body was launching the third of the Forum's series of reports on the effects on food of EEC membership, entitled "Why Bacon is Dear." It accuses the Government of breaking its promise to look after the bacon industry's interests and of failing in its duty to keep prices down for the housewife.

Britons' traditional breakfast of bacon and eggs is rapidly becoming a luxury, the report claims. Bacon prices had leapt in an unprecedented way since 1970 when negotiations to join the EEC began. By May the price of the cheapest cut, streaky smoked bacon, had risen by 83.6 per cent. since July, 1970. Other cuts had gone up 55 to 67 per cent.

"The result of these vicious prices increases has been that the British are eating less bacon," says the report. The causes were abolition of the U.K. market-sharing agreement and the bacon curers' stabilisation payments to bring Britain into line with other EEC countries, and the effects of Common Market levies on Britain's bacon imports which led traditional supplies such as Poland, Hungary and Rumania to lose confidence in the U.K. market.

"As part of the review of the Common Agriculture Policy we should insist upon a derogation—in the language of Brussels—for bacon. Bacon should be taken out of the CAP," the report declares.

World market

Commenting on the Forum report, the Ministry of Agriculture said the main reason why bacon prices had risen was the strong world meat market which had pushed up pig prices quite independently of the CAP's operation. World increases in animal feeding stuffs had also been a major factor.

● In a general comment about accusations of the effect of the CAP on Britain's food prices, the EEC Commission said yesterday that whether inside or outside the Community Britain would suffer the effect of rising world prices.

"It is estimated that the adoption of the EEC farm policy has so far added just 1p in every £ to the cost of food," it said.

A high, tax-paid 'Income' plus automatic cost-of-living increases from a first class investment.

Target Cost-of-Living Realisation Plan

Look at these examples

Suppose the Plan had been in existence in April, 1970 when the Target Income Fund was reconstituted and £1,000 had been invested. The effect of the Retail Price Index on the various initial rates of 'income' and the value of the remaining capital would have been as follows:—

Six monthly % increase of Retail Price Index		Initial rates of 'income' chosen 5%	6%	7%	8%
		£	£	£	£
	'income' payable on 30.11.70	25	30	35	40
5.30%	'income' payable on 31.5.71	26.30	31.60	36.90	42.10
4.36%	'income' payable on 30.11.71	27.40	33.00	38.50	43.90
3.19%	'income' payable on 31.5.72	28.30	34.10	39.70	45.30
3.81%	'income' payable on 30.11.72	29.40	35.40	41.20	47.00
4.21%	'income' payable on 31.5.73	30.60	36.90	42.90	49.00
	Total net 'income' received	£167.00	£201.00	£234.30	£267.30
	Value of Investment on 19.9.73	£1256.63	£1215.82	£1175.86	£1136.06

Every day the pound in your pocket buys a little less. In fact, even over the past three years it has lost more than a quarter of its purchasing power—a very real problem particularly if you are wholly or partly dependent on fixed investment income.

That is why we have introduced the Target Cost-of-Living Realisation Plan. At last you can obtain an 'income' which is automatically increased at the same rate as the Retail Price Index to keep pace with inflation and thus help maintain your standard of living.

Here are the advantages of our Plan

- ★ You receive a high spendable 'income' of your own choice
- ★ Payments are automatically increased to take account of rises in the Retail Price Index
- ★ Payments are made half-yearly
- ★ You may reasonably expect the value of your units to increase
- ★ There are the usual tax benefits accruing to Unit Trusts and their investors

How the Plan works

You simply invest £250 or more in Target Income Fund and choose an initial rate of *tax paid* 'income' of between 5% and 8% per annum of your original investment, to suit your requirements.

The first six monthly payment is made at the initial rate chosen but subsequent payments, each May and November, will be adjusted automatically to take account of any change in the Retail Price Index as calculated by the Department of Employment and Productivity in March and September each year.

Thus the purchasing power of your 'income' will be maintained continuously and automatically against rising prices.

How are the 'income' payments made up?

Simply 1) the income from your units after tax at the basic rate, and

2) a capital sum realised by the sale of units.

It is the aim of the Plan to provide the capital element of your half-yearly payments out of the future capital growth of the Fund. Therefore, although the number of units you hold decreases, you may reasonably expect your capital

commencing income up to 8% p.a. TAX PAID

to increase over the medium to long term. Remember the higher the rate of 'income' applicable, the more units are sold to provide it.

The Plan is linked to the Target Income Fund, a unit trust investing the major part of its portfolio in ordinary shares which the Managers believe to have excellent medium term growth prospects and which is also currently producing an above average income.

Since the Fund was reconstituted in April 1970 units have increased by more than 35% compared with a rise of only 24% in the F.T. Actuaries All-Share Index.

What is my tax position?

Income Tax

The income portion of your half-yearly payments will already have borne tax at the basic rate. If you are not liable to income tax you may reclaim from the Inland Revenue the amount shown as a Tax Credit on the tax vouchers we send you twice a year.

Capital Gains Tax

Under present legislation the following rules will apply:—

1) Investors who dispose of chargeable assets not exceeding £500 in any one year will have NO CAPITAL GAINS TAX LIABILITY AT ALL.

2) Investors who pay basic rates of tax and who are not liable to the Investment Income Surcharge also will have NO CAPITAL GAINS TAX LIABILITY.

3) Investors who pay higher rates of tax and/or are liable to the Investment Income Surcharge will be charged at a rate which will not exceed 15% on Capital Gains.

Take advantage of this offer NOW!

Send in your application and cheque to reach us not later than 5th October, 1973 to obtain units at the current offered price of 25.3p. The estimated current gross yield is 5.83% p.a. Minimum Investment £250. Remember that the price of units and the income from them can go down as well as up.

General Information

Applications will not be acknowledged but you will receive a Certificate of Entitlement within 42 days after the close of this offer.

You may if you wish buy ordinary units in Target Income Fund now and switch to the Cost-of-Living Realisation Plan later, an ideal arrangement for those contemplating retirement. While you hold ordinary units all net income will be reinvested automatically in further units for your account.

If you enrol in the Plan your units will be registered in the name of the Trustee, Midland Bank Trust Company Limited, who will act as your Nominee under the Plan and hold the Certificates on your behalf.

The Managers reserve the right to close the offer before the date stated.

After the close of this offer, units will be available at the daily price.

The half-yearly payments are made on 31st May and 30th November each year when you will receive on each occasion an income tax voucher and a statement of your unit holding together with the current progress report of the Fund. Units purchased before 15th October, 1973 (ex-distribution date) will qualify for the November 1973 distribution of income, although this will not include a capital sum realised by the sale of units. Subsequent half-yearly payments, however, will be made up of both income and capital.

An initial charge of 5% is included in the price of units out of which the Managers will pay 1¼% commission to qualified agents. An annual charge of [illegible] of the value of the Fund plus VAT is deducted from the income of the Fund. The Trustee holds all investments and cash of the Fund under the terms of the Trust Deed dated 15th February 1964. This provides for the termination or modification of the Trust in circumstances there set out. It may be inspected at the offices of the Managers. Copies 25p. You may sell your units at any time at the ruling price. You will receive a cheque within 10 days of the receipt of the Renunciation Form included in the Certificate of Entitlement.

Managers: Target Trust Managers Limited (Member of the Association of Unit Trust Managers). Target House, 7-9 Breams Bldgs, London, EC4A 1EU. Tel: 01-242 0777. *Directors:* A. P. [illegible] Simons T.D., F.C.A. (Chairman); L. G. Sampson (General Manager); The Rt. Hon. Lord Aldington, P.C., T.D.; A. C. B. Chancellor; E. B. G. Clowes, M.I.E.E.; M. E. G. Prince, M.A., F.C.A.

Investment Managers: Dawnay, Day & Co., Limited

OFFER CLOSES 5th OCTOBER 1973

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Gatehouse Road, Aylesbury, Bucks.

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I/We wish to invest £ ____ in Target Income Units at 25.3p per unit (minimum £100. Realisation Plan £250)

Under the terms of the Cost-of-Living Realisation Plan and I/we hereby appoint Midland Bank Trust Co Ltd as my/our Nominee under the Realisation Plan. I/We wish my/our first half-yearly 'income' payment to be calculated on an annual rate of 5%, 6%, 7% or 8% of my/our investment. (Please circle rate required.)
(PLEASE DELETE THIS SECTION IF REALISATION PLAN IS NOT REQUIRED)

Cheques should be made payable to Target Trust Managers Ltd. I/We declare that I am, we are not resident outside the Scheduled Territories and I am/we are not acquiring units as the nominee(s) of any person(s) resident outside these territories. (If you are unable to make this residential declaration, the form must be lodged through your bank, solicitor or stockbroker.)
This offer closes on or before 5th October 1973.

Signature(s) ____ Date ____

If there are joint applicants all must sign and attach names and addresses separately.
PLEASE WRITE IN BLOCK LETTERS – THE CERTIFICATE WILL BE PREPARED FROM THIS FORM

Title | First Forename | Other Initials | Surname
House No. and Street
Town | County/Postal Code

Do you already hold Target Income Units? YES NO
Please let me have details of Target's monthly savings schemes
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We are just such specialists. We advise more than 2000 companies on their pension arrangements. This means you have the benefit of a wealth of technical knowledge and a vast amount of solid practical experience in this field. You also have the advantage and security of dealing with one of the largest and most experienced brokers in the world.

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Planning for Retirement

FINANCIAL TIMES SURVEY

Guarding against inflation

By DRYDEN GILLING-SMITH

Investing in a standard of living that can be maintained indefinitely into the future is the aim of any individual who either negotiates a deal with his employers to receive his remuneration partly in direct pay and partly in deferred pension rights or who sets aside money himself out of gross income in order to secure his own future.

With the rates of inflation to which we have grown accustomed in recent years this task becomes increasingly complex and all the time one is juggling with uncertainties. The purpose of this survey is to assist the individual, whether he be an employee, self-employed or a director, to assess his or her overall position and to review the arrangements that currently exist to provide him or her with a retirement income.

Standing guarantee

If you are in the public sector and are near to retirement or have already retired you can rest assured on one particular count—your pension is inflation proofed to the extent that you will receive—or at least retired members of your particular scheme will receive—an increase of more than 9 per cent. this year in order to restore the original purchasing power of your pension. Even if Britain were to suffer inflation of Brazilian proportions there is now a Government guarantee (under the Pensions Increase Act of 1971) to ensure that every year your pension is increased in line with the current cost of living index.

To a certain extent there is even an element of irony in the present situation because the Government's statutory control on wages and salaries has had the effect of restricting pay increases for people still at work to a level that is generally considered below that of current price inflation. But these restrictions have not been applied to pensions. In fact the Government's concern with pensioners has resulted in pensions generally being considered as the one escape route from the overall clamp-down on increases in remuneration of whatever kind.

An important aspect of this governmental treatment of pensions and direct pay is that the formula of £1 per week plus 4 per cent. is highly disadvantageous to people with higher incomes. A straight percentage increase would have been very much more preferable but the higher the pay and the higher the pension the larger the increase needed in order to restore the purchasing power of a net of tax income because progressive tax rates eat much more into increases at higher income levels than at lower income levels.

One aspect of the current pensions scene that does not appear to have received very much comment—in a year where most pensioners have been 100 per cent. absorbed in the problems of assimilating the details and consequential regulations of the 1973 Social Security Act—has been the options open to the individual approaching retirement age.

The majority of good pension schemes now allow an individual at retirement age to take one quarter of the actuarial value of all his pension benefits in the form of a tax-free capital sum. Where this option is available it is generally in the interests of the employee or pensioner to take it because he receives a substantial tax benefit if he decides to buy an annuity—even if he is not taking the lump sum simply because he wants to use this money to buy another house or for some other immediate purpose.

I am thinking here primarily of the person who needs the maximum income that he can obtain. In respect of the one quarter cash commutation element it is normally possible to jack up the net-of-tax income by about 30 per cent. by buying an annuity in the open market and paying tax only on the interest content as opposed to taking this amount in the form of straight pension taxed PAYE.

Enviable position

A new situation has however arisen as a result of the development of annuity bonds. These bonds enjoy a tax treatment comparable to that of the individually purchased annuity but put the buyer in the rather enviable position of retaining his capital intact at the end of the annuity period. The actual mechanics of this arrangement are somewhat complex and an insurance company can only offer such a contract if it manages to achieve the right mix of business because the key to the operation is the ability to offset the tax which has to be deducted from annuities being paid against the tax that would otherwise be payable on the investment income of the annuity fund.

As a result some of these annuity bonds are able to guarantee a net-of-tax income of between 9 per cent. and 10 per cent. (for the standard rate taxpayer) for people now reaching retirement age. One leading company is currently offering 10.35 per cent. net-of-tax for a man of 70.

Many people would rather get 10 per cent. net-of-tax and keep their capital than get something between 13 per cent. and 14 per cent. by buying an annuity which means saying goodbye to their capital for ever.

As more insurance companies come into this market the popularity of annuity bonds has increased and this has proved such an attractive alternative to people in the know to other forms of tax-free investment such as building society deposits that there have even been protests against the tax treatment of annuity bonds. Even the Economist, earlier this year, put in a plea to the Chancellor to change the tax legislation in order to make these bonds less attractive. I find it difficult to see the rationale for such arguments because, after all, if the pensioner has got to live in a world inflating at 9 per cent. then he ought to be able to obtain at least 10 per cent. net of tax on his money if he is to participate at all in the rising living standards which one would expect to stem from improved national productivity.

The annuity bond guarantees a certain level of income in relation to the amount of capital available for investment at retirement but while it compares very favourably with the straight purchase of annuities or with the investment in building society deposits (only yielding 7½ per cent. for standard rate tax-payers and less for people paying higher tax rates) it will not ensure the fruits of open-ended capital growth for the person who is looking to his living standards many years hence.

Shrewd betting

At the present time it is often difficult to convince people that capital appreciation is likely to take place within the foreseeable future simply because we have lived for so many months in a "bottom of the market" situation. While this lasts there is an obvious attraction in attempting to obtain the maximum possible net-of-tax yield on a guaranteed fixed interest basis. But if we are at the bottom of the market—and short of catastrophe it is generally considered that the bottom cannot be much further down than it has been in 1973—this is the time for the shrewd betting man to put some of his retirement savings into a medium which will enable him to benefit from the capital appreciation that can be expected to flow from the possession of a well-chosen portfolio of investments.

There is a further reason for doing this. It is that if inflation rates continue to rise rather than levelling off or decreasing then a fixed rate return on one's capital will be insufficient.

For some years now a number of insurance companies and unit trust groups have been advertising what they describe as "withdrawal plans." In general these plans advertise the right to take a 6 per cent. repayment each year so that the investment can be used to live on as well as providing capital growth for the future. In a year where capital appreciation reached 40 per cent. and investment income amounted to, say, 3 per cent., then the underlying investments would appreciate by 43 per cent. while the investor would be taking out a mere 6 per cent.

However, the plan would enable the investor to obtain a further 6 per cent. in the following year even if there were a sharp fall in the value of the underlying investments. The purpose of these plans is to enable the investor to achieve a regular income on the basis that over the longer time-span the value of the underlying equity investments should appreciate at a rate of perhaps 2 per cent. or 3 per cent. more than the rate of inflation, although in the short term the market may go up and down like a yo-yo.

I suspect however that many of these plans have been designed to cater for a broad spectrum of investors and that the 6 per cent. rate has been pulled out of a hat as looking broadly comparable with building society rates and better than an average investor could expect to achieve from a portfolio of ordinary shares.

For the person who is about to retire or is already retired however and who does not possess a vast private fortune or receive so much pension that he still has money to save there is an obvious need for a withdrawal plan that will at the same time enable the pensioner to maximise current income and ensure that if there is rapid growth around he will get it.

For this reason I would favour at least a 10 per cent. rate of annual withdrawal in such a situation. This may mean that one is eating into capital in years when the combined capital growth and income fall far short of this desired target, but then one would be dipping into far more capital if the whole of the investment had been used to buy an annuity.

If, however, we were to suffer runaway inflation of 20 per cent. or even 30 per cent. then this type of investment should enable the pensioner to see his underlying assets appreciate in value at matching rates. He can then at a later date negotiate a higher rate of withdrawal. The unit trust group that has recently produced what it describes as a Cash Plan (and this is surely a more satisfying term than "Withdrawal" Plan) is the London Wall Unit Trust Group and although this is not aimed specifically at the retirement market I would expect it to achieve considerable sales

Continued on next Page

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Name

Address WYR/F

Tel. No. (Office) (Home)

Max. Tax Rate % Earned Income £

Age ☐ Employed ☐ Self Employed

Are you a Company Director? ☐ Yes ☐ No

I expect to retire at age

I have capital of £

Or I can save £ monthly

Bevington Lowndes

There's no future for the non-progressive pension!

If you had retired ten years ago on a pension of £1,000 p.a., by September 1968 it would have fallen in value to £821 p.a., and would now be worth only £574 p.a. There is no future in a pension like that!

That is why Slater Walker have developed "Progressive Pensions", which are designed to increase with annual bonus additions in order to fight inflation. The rate of bonus may well vary from year to year, but each addition is a permanent increase in pension which cannot be taken away.

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STOCK EXCHANGE REPORT

Reasonable two-way trade with buyers having the edge

Share index up 1.0 at 429.4 for rise of 7.2 on the week

ACCOUNT DEALING DATES
Option

Declarations	Last Dealings	Account Day
Sept. 27	Sept. 28	Oct. 9
Oct. 11	Oct. 12	Oct. 23
Oct. 25	Oct. 26	Nov. 6

"...me" dealings may take place ... three business days earlier.

...ent firmer undertone in ...kets continued yester-...ast day of the Account. ...ncrease in the volume ...s reflected a reasonable ...rade in equities, with ...me for "new-time" for ...nt starting next Mon-... about having the upper ...s, too, were firm, with gains to ⅛ throughout ...he 20-year Government ...ex improved from 61.99

...ter feeling in markets ...ed by reports of an ...tmosphere between the ...ister and TUC leaders ... of their talks on Phase ...ore details of the anti-...olicy are published in ...per form towards the next week. The FT ...dex managed a further ...e point to 429.4, bring-...ain on the week to 7.2 ...it 24.6 above its Sep-... "low" for the year of

...ount influences made ... movements in second-...es, but there were still ... features on bid situa-... trading news. Mark-...032, were the highest ...week, but the daily ...r the week was still ...73.

...lling of South African ...s on disappointment ...erformance of bullion ...further $1.25 to $100.00 ...left the Gold Mines ...ower on the day and ...n the week at 155.8.

...ilts up

...day's trading in the "tap" Treasury 10½ 1976, was a trifle dis-... but the close of 98... ...esented ... premium on ...rice, was firm enough ...opening quotation of 1-64th premium. Contrary to expectations, business in other short-dated stocks was reasonably good despite fairly tight conditions in the Money markets. Treasury 9 per cent., 1978, stood out with a gain of ⅛ to 92⅛. Rises of ⅛ were fairly general in other shorts and in the longs, but medium-dated securities were rarely altered.

Most of a good two-way business in investment currency was traded between rates of 33½-34 per cent. and the closing premium settled at 33⅞ per cent., a loss of ⅜ on the overnight level. Yesterday's USE conversion factor was 0.8068 (0.8011).

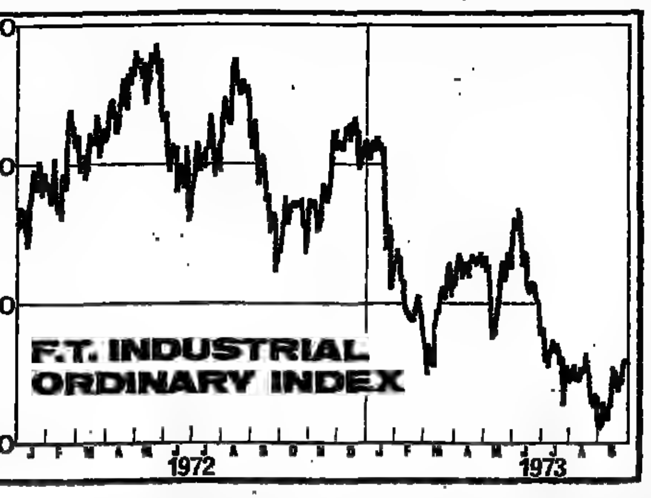
Wearwell continued to meet demand in Recent Equities and advanced 9p more to 75p in a thin market for a week's rise of 16p. Fresh buying left C. H. Beazer 6p higher at 154p.

Banks remain firm

Up to another 8p better at one stage, leading Banks drifted back on profit-taking and lack of follow-through support to close only a shade harder on balance after a fair trade. Midland, which closed *only* 1p up at 365p, recorded a rise on the week of 35p. Discounts ventured into higher ground in sympathy with gilts and improvements of 5p apiece were recorded in Cater Ryder at 280p and Smith St. Aubyn, 120p. Merchant Banks were firmer in places with Hambros, 470p, and Kleinwort Benson, 145p, hardening 5p.

Insurances attracted only a small interest, but closed firmer for choice. Staplegreen advanced 10p to 322p while Alexander Howden improved 4p to 97p.

Contracting shares claimed a fair amount of interest, sentiment still being helped by the good interim results from Geo. Wimpey which improved afresh to 118p before closing unaltered on balance at 116p. Taylor Woodrow firmed 2p to 296p and favourable Press mention helped J. Laing "A," 5p to the good at 162p. Bryant Holdings firmed 4p to 74p and Newarthill 2p more to 186p. In contrast, Bovis came back 4p to 264p on end/Account profit-taking after the recent burst of speculative activity, while disappointment with the half-yearly figures prompted a reaction of 5p to 89p in Aberdeen Construction. Elsewhere, Tunnel Portland "B" fell 5p more to 198p after news that the F. L. Smidth had been sold to T. W. Ward, thus ruling out an expected bid. Buying



ahead of the results, due shortly, left Tarmac 7p to the good at 206p, after 208p, while a revival of speculative demand in the late trading pushed Johnson Richards Tiles up 15p to 398p. Press comment stimulated interest in Timbers, Phoenix rising 6p to 125p and Parker Timber 9p to 135p.

Laporte responded to the half-yearly statement by rising 7p to 111p in Chemicals. On the other hand, ICI eased a shade further to 340p.

Leading Stores looked a little firmer at the outset, but subsequently eased to close with minor net losses. Marks and Spencer ended 2p off at 269p and "Gussies" "A" 3p easier at 230p, while House of Fraser ended unaltered at 113p, after 115p. Elsewhere, favourable Press comment on the good results encouraged buying of Forbuoys, which rose 8p to 185p while, in sympathy, NSS Newsagents, 99p, and Martin the Newsagents, 160p, both improved 3p. Buyers showed interest in Status Discount, 119p, and New Day, 126p, both 7p higher, while Henry Wigfall followed Thursday's 20p rise in a thin market with a further improvement of 9p at 309p. Combined English Stores, aided by Press comment, closed 1½p firmer at 94p. Pittard Group, a recent poor market on the disappointing half-time profits, closed 3p easier at a "low" for the year of 99p.

With the exception of Reyrolle Parsons, 3p better at 112p on renewed speculative interest, leading Electricals hardly stirred from overnight levels. However, Decca, 366p, and the "A", 362p, rose 8p, while others to meet support were Comet Radiovision, 112p, and Muirhead, 72p, up 4p apiece. A Press recommendation left Pifco "A" 2p harder at 86p. After Thursday's 8p fall, Petbow touched a 1973 "low" of 77p and closed 3p down at 79p on the disappointing interim statement.

Firmness in Engineerings persisted with Tube Investments a popular choice at 402p, up 6p, along with John Brown, 3p higher at 159p. Increased profits helped Adwest Group recover 7p further to 230p, while investment comment took McKechnie Bros., 83½p, and Blackwood Hodge, 163p, up 3p apiece, but Ratcliffs (Great Bridge) came back 4p to 68p. Machine Tools were occasionally harder, while Yarrow were prominent in Shipbuildings with a rise of 8p further to 120p on renewed investment demand.

Renewed demand ahead of the preliminary figures, due shortly, left Glaxo up another 6p at 372p. Bowater also continued to attract buyers and put on 5p more to 183p, but little else worthy of note occurred in the miscellaneous Industrial leaders. News that the bid for Wilkinson Sword by British Match had received clearance by the Monopolies Commission left Wilkinson up 4p at 73p, with the "A" 3p better at 64p, but British Match 2p easier at 180p. In thin markets, Myson advanced 7p to 175p and Newey and Taylor 15p to 170p. Blakey's Malleable Castings gained 1p more to 39p following news that Estates and General Investments had sold their stake, amounting to about 23 per cent., in the company to Centreway Securities. Royal Sovereign, 53p, and Universal Grinding, 101p, both ended a shade better after trading statements, while Press mention prompted a rise of 5p to 83p in Ray Turner. Buyers came for Charles Spreckley which rose 4½p to 72p, while European Ferries firmed 1½p further to 145½p awaiting the results. Among the dull spots, Business Computers came on offer at 28p, down 4p, and British and Canadian Investments gave up 5p to 69p.

Dealings were suspended in Hackney and Hendon at 125p following the proposed merger with G. W. Walker.

J. Bibby advance

J. Bibby moved into prominence in Foods with an advance of 20p to 130p in response to the £9m. received for its grocery interest sale to an Italian group. Cavenham were in demand and closed 4p better at 151p, after 152p, while Rowntree Mackintosh, helped by Press comment, picked up 4p to 150p. Joseph Stocks, however, dipped 10p to 70p in a limited market. Cadbury Schweppes eased 1½p to 63p after the interim results. Among Hotels, Stanneylands reacted 7p to 84p after the recent rise on the tentative bid approaches.

Motors were easier, with Rolls-Royce Motors ending 1½p off at 66p and British Leyland ½p lower at 24¾p. Narrow mixed movements occurred. Supra Chemicals and Paints put on 3p more to 190p for a week's rise of 19p on the capital proposals. Tate of Leeds added 2p more at 52p.

A fresh upturn in Paper/Printings contrasted with slight easiness in Newspapers. Among the former, Reed and Smith, results due next Wednesday, rose 6p to 79p, while Bunzl Pulp, 98p, and Sir Joseph Causton, 54p, both gained 2p. DRG's interim results made little difference to the price, the close being only 1p harder at 120p.

Leading Properties were undecided and closed with small mixed movements, but second-line stocks made further progress. Apex were outstanding at 132p, up 11p, while other particularly good spots included London Bridge Securities, 134p, and Town Centre, 73p, recording gains of 9p and 7p respectively. Lewston advanced 10p to 134p following the annual meeting. Brixton continued to attract buyers at 104p, up 6p, and gains of around 4p were seen in Land and General 'A,' 64p, and Chown, 238p. In restricted markets, Warnford rose 15p to 335p and Property Holding and Investment 8p to 323p.

Conoco's oil find in the North Sea stimulated buying both for the new-time and in the ordinary way, of Tricentrol which rose to 184p before closing 4p higher on balance at 182p. Leading Oils, on the other hand, were neglected again and Shell drifted 2p cheaper to a "low" for the year of 271p.

Grendon Trust moved erratically yesterday following Thursday's late news of the 295p-per-share cash offer from Eastminster, a private investment concern run by Mr. Christopher Selmes; after slipping from the overnight 300p to 292p, the price rebounded on fresh speculative buying following Grendon's rejection of the proposed offer and closed 10p up at 310p. Elsewhere in Financials, Hambro Trust gained 8p to 85p.

Hunting Gibson featured Shippings, rising 10p more to 303p for a rise on the week of 23p on persistent small buying in front of next Wednesday's interim results. Elsewhere, P and O Deferred moved irregularly before closing 4p better at 342p, after extremes of 337p and 345p.

Textiles eased slightly in quiet trading. Courtaulds, after a firm start, drifted off to close ½p easier at 136½p, while further consideration of the results left U.U. Textiles 3p cheaper at 71p.

With sentiment being helped by details of the company's advanced plan to manufacture cigarettes in Japan, buyers came for "Bats" which added 6p to 268p; the Deferred ended 4p dearer at 230p.

Further consideration of the bid terms from South African Breweries, 2p better at 92p, led to an early reaction to 440p in O.K. Bazaars "A," but Cape demand near the close produced a rally to 460p, unaltered on the day. Federated Stores held Thursday's higher level of 380p.

News that James Finlay has agreed merger terms with four of its asssociated tea concerns, led to some big gains: West Nile put on 45p to 310p, Teith Holdings 23p to 333p, after 350p, Cessnock 20p to 170p and Consolidated Tea and Lands 5p to 175p. James Finlay, however, slipped back to 410p before closing 13p lower on balance at 415p.

Irish debacle

Dealings were resumed in Northgate Exploration which closed the day at 250p after 245p; on Tuesday they were 252p prior to dealings being suspended at the company's request as a result of the news that Ireland has withdrawn the mining tax holiday concession. Of others, Tara were 595p compared with 690p on Tuesday and International Mogul 550p against 700p. Sabina, however, rose 10p to 75p.

Business in South African Gold shares remained at a low ebb and prices eased in line with the bullion price which closed at $100 per ounce. The Gold Mines index was 7.4 down on the week.

Of yesterday's losses, Buffelsfontein retreated 40p to 950p, Randfontein 30p to 700p and East Driefontein 15p to 375p. In Financials, Rand Selection lost 15p to a year's low of 735p after touching 730p.

Anglo's half-year results were not considered particularly impressive and the shares eased 2p to 340p. Profit-taking lowered Selection Trust 5p to 380p, but they were still 40p up on the week; CAST, however, were 2p off on the week at 74p. Charter improved 6p to 171p while Press comment raised Lonrho 5p to 89p.

The strength of the metal prices made little impression on Coppers or Tins. Among the latter there was some buying interest in London Tin which rose 9p to 172p.

Roan Consolidated Mines responded to the sharply increased final with a jump of 20p to 290p. Profit-taking following the results lowered "Tanks" to 217p before they closed 7p down at 220p.

Australians developed no real trend. Poseidon put on 10p to 450p and some last-minute buying for the scrip issue raised Conzinc Riotinto a similar amount to 310p.

FINANCIAL TIMES STOCK INDICES

—	Sept. 28	Sept. 27	Sept. 26	Sept. 25	Sept. 24	Sept. 21	A Year ago
Government Sec	64.22	64.21	64.22	64.14	63.83	63.71	72.55
Fixed Interest	64.51	64.53	64.42	64.32	64.07	64.05	75.79
Industrial Ordinary	429.4	428.4	428.3	425.8	422.3	422.2	487.3
Gold Mines	155.8	158.9	159.9	161.0	163.6	163.2	93.0
Ord. Div Yield %	4.39	4.42	4.45	4.46	4.49	4.50	3.48
Earnings Yld % (full) (a)	9.83	9.88	9.90	9.93	10.00	10.01	†5.35
P.E. Ratio (net) (a) (b)	13.84	13.78	13.76	13.72	13.65	13.61	†18.71
Dealings marked	7,032	6,804	6,924	6,514	6,090	5,506	9,829

*10 a.m. 428.8 11 a.m. 429.0 Noon 429.6 1 p.m. 429.1 2 p.m. 429.5 3 p.m. 429.7
Latest index 01-248 3026.

(a) Based on 50 per cent. corporation tax. (b) Nil=13.53. † On old basis.

HIGH AND LOWS

—	1973 High	1973 Low	Since Compilation High	Since Compilation Low
Govt Sec.	72.08 (22/1)	63.16 (6/9)	127.4 (9/1/35)	63.16 (6/9/73)
Fixed Int.	73.85 (25/1)	63.67 (6/9)	150.4 (28/11/47)	63.67 (6/9/73)
Ind. Ord.	509.6 (10/1)	404.8 (5/9)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	203.6 (6/7)	93.6 (12/1)	203.6 (6/7/73)	45.5 (28/10/71)

Basic 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind Ord 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942

S.E. ACTIVITY

—	Sept. 28	Sept. 27
Daily—		
Gilt Edged	127.7	123.0
Industrials	235.3	280.9
Speculative	104.2	98.7
Totals	160.1	154.9
5-day Av.—		
Gilt Edged	132.9	128.8
Industrials	218.3	208.4
Speculative	99.2	99.5
Totals	151.9	144.9

FT—ACTUARIES INDICES

	Sept. 28	Sept. 27	Sept. 26	Sept. 25	Sept. 24	Sept. 21	A Year ago
Industrial Group	173.44	173.20	172.97	171.53	171.16	170.65	191.16
500 Shares	181.49	181.45	181.40	180.01	179.63	179.13	199.66
Div. Yield pc.	4.19	4.18	4.16	4.22	4.22	4.24	3.61
P/E Ratio (net)	14.75	14.79	14.79	14.68	14.65	14.61	16.39
All Share	181.43	181.26	180.75	179.06	178.47	177.95	199.00
Consols Yield pc.	11.40	11.40	11.40	11.59	11.52	11.58	9.46

†On old basis

AUTHORISED UNIT TRUSTS (p★★★)

Allen Harvey & Ross Arbuthnot Ltd. ... Discretionary Unit Fd. Managers ... Drayton Unit Trust Managers Ltd. ... (a) (g) Jessel Britannia Group ... (a) (g) National Group ... Scotbits Securities Limited ...

[illegible]

[INSURANCE, PROPERTY, BONDS PRICES PAGE 29]

OFFSHORE AND OVERSEAS FUNDS (p★★★)

Albany Management Co. Ltd. ... Amer. Express Inv. Mngmt. Co. ... Australian Inv. Man. Group ... Fidelity Mngmt. & Res. (Bda.) Ltd. ... Negit Ltd. ...

[illegible]

Reciprocal agreements abroad

By DAVID WRIGHT

For those contemplating retirement abroad one of the more important factors to be considered in the choice of the new home is the relationship between that country and the U.K. as regards the payment of State pensions. The U.K. has reciprocal agreements with 26 countries. Here, pension payments are normally paid at the rate prevailing in the U.K. or at the rate when the person left this country topped up by pensions from the authorities of the chosen country. In countries not governed by these reciprocal agreements pensions are fixed at the rate when the person left this country. The value of these pensions are therefore eroded by inflation and the devaluation of sterling.

At this stage it is probably worth listing the countries where these reciprocal agreements are in operation: All the countries in the enlarged European Economic Community are included as well as Australia, Austria, Bermuda, Canada, Cyprus, Finland, Israel, Jamaica, Jersey and Guernsey, Malta, New Zealand, Norway, Sweden, Switzerland, Turkey, the U.S. and Yugoslavia.

Stipulated number

Even though the person may decide to retire in a country where the U.K. has a reciprocal agreement he must still have paid a stipulated number of flat rate contributions before any pension can be paid.

A flat-rate retirement pension can only be paid if at some time 156 flat-rate contributions of any class have been paid. The standard rate, however, is paid only if the person in question has an average of 50 flat-rate contributions or credits a year over the whole of his insurance life, and this includes any period spent abroad. When the average falls below 50, then the pension is paid at a reduced rate. But when the average is less than 13 no benefit is paid.

The most common system of pension payment under these reciprocal agreements is that the same rate prevailing in the U.K. is paid in the country where the person has retired. This means that any increase that comes along after the individual has left the U.K. will still be passed on. All the EEC countries have this type of agreement, along with Austria, Cyprus, Israel, Jersey and Guernsey, Malta, Switzerland, Turkey and Yugoslavia.

The other countries differ or have some modification on this type of pension agreement. In Finland, Norway and Sweden, for example, pensions are payable only at the rate at which it was paid when the person was last a resident in the U.K., or at the rate which applied at the date when retirement age was reached, whichever is later. This at first glance may seem no better than the countries where there are no reciprocal agrements, but if residence was taken up in these countries five years before retirement age then the person would be entitled to that country's old-age pension.

Again in both Jamaica and Bermuda, pensions are payable at the rate in force when leaving the U.K. or when retirement age was reached, but there are increases after a certain date. For those who have retired in Jamaica increases in U.K. pensions after October 1, 1972 are added to the benefit while for those in Bermuda any increases after November 1, 1969 are added. Of course, both countries have their own pension schemes. In the case of Bermuda a state pension becomes due after ten years of residence.

Canada has a similar arrangement with the U.K. to that of both Jamaica and Bermuda in that pensions are paid at the rate prevailing when leaving the U.K. but this pension is paid without regard to any Canadian benefit that may be received. This means that if the person meets with both countries' conditions then both pensions would be paid.

Canadian Old Age Security Benefit is payable to everyone in Canada who has reached pensionable age and has lived in the country continuously for 10 years. Failing this resident condition the pension is payable to people who lived for one year immediately before the benefit becomes due and for substantial earlier periods. For persons who cannot qualify for either of these conditions they would become eligible for the benefit if they have lived in Canada for at least 40 years after reaching 18, even though not residing in the country at the time of reaching retirement age.

Both Australia and New Zealand have involved reciprocal agreements. Once again the U.K. pension is only paid at the rate that existed when leaving the U.K. But in both countries people are entitled to the respective state pensions providing that certain resident conditions are satisfied. In Australia a person is treated as having lived in the country during any period of residence in the U.K. and during the journey to Australia provided the journey does not exceed 13 weeks. If, however, the pers is claiming a U.K. pension a claims an Australian pensi under this resident conditi then the U.K. pension deducted from that due und the Australian system. similar sort of resident con tion is in operation in N Zealand.

Remain frozen

The importance of th reciprocal agreements that t U.K. has with the 26 countr is clearly underlined by t plight of the people living countries not covered by su an agreement. Despite a c siderable amount of campai ing by MPs these pensio remain frozen at the ra when the individuals left t country. It is estimated t at least a third of the numl of U.K. retired people livi abroad are not covered reciprocal agreements. Ab 7,000 are in South Africa, m than 3,000 in Spain and o 2,000 in both Poland a Rhodesia. Many of these living on pensions fixed least ten years ago while current U.K. is more t double the amount.

However, all is not lost people living in these count not covered by an agreem The U.K. government is c rently negotiating an agreem with Spain and possi Portugal. These are tak some time but at least it i step in the right direction.

Given the difficulties of ing on a fixed rate of inc that is constantly being ero by inflation and currency heavals it must surely be w to consider only those count covered by reciprocal ag ments. Of course this is ass ing that the individual has other substantial source private income.

Portfolio income and capital protection

By ROY LEVINE

Assume you are 65 and retired. The main financial problem facing you now is how to cater for sufficient and rising income to sustain your standard of living.

Taking an average case, your capital will consist of part of the pension from your ex-employer which can be commuted into a cash amount (usually one and a-half times the last annual salary), any maturing endowment policies and personal savings. Perhaps, too, you have a house which can be sold for that little cottage in the country.

The annual pension from the old firm which has not been commuted will probably not be sufficient to keep up your living standards. So you will need to buy more income.

Buying an annuity may be the automatic answer that springs to mind. While this may make sense if you are over 70, it is not always the best strategy for most people since an annuity provides a fixed return for life which can be eroded by the rising cost of living and also entails forfeiting the capital amount.

In these days of record interest rates buying income is not really a problem. Building societies are offering rates from 7 per cent. to 7½ per cent. on fixed-term shares, free of basic rate income-tax. The gross equivalent rates are up to 10.36 per cent. This rate of return is too attractive to turn away even though it does not allow for inflation.

Another increasingly popular medium for high returns are the guaranteed income bonds. These contracts are normally offered by insurance companies for ten years, although recently several new bonds have been launched for shorter periods. Atlantic Assurance, for example, offers a three-year income bond. The contract is compiled of an immediate annuity, which provides for the annual income portion, and a deferred annuity, which accumulates capital until the contract matures. Once again, there is no tax liability for the basic rate tax payers. Higher rate tax payers can face a liability at the marginal rates of tax.

Income bonds provide different rates of return depending on one's age at entry. Basically, they vary between 8 per cent. and 10 per cent. net of tax at the basic rate. As interest rates in the money market get higher so the yields offered on new bonds coming on to the savings market rise, too.

The main drawbacks of these types of contracts are that you are tying up your money for a fixed term and also that there is no hedge against inflation.

For these reasons, it is advisable to allocate some of your capital to purchasing a growth product. This can be through direct investment into equities, or various investment vehicles like unit trusts, managed bonds or property bonds. Now, at age 65 you realistically are not intent on building up a fortune. So the risk-reward ratio you are prepared to accept must be attuned to the product. For that reason, a straight equity portfolio might not be suitable.

Less volatile

The recent development of managed bonds, investing in equities (mostly through unit trusts), property and fixed interest securities, recognised this need. For, on the whole, they are supposed to be far less volatile than a straight equity investment.

There are numerous bonds to choose from and the magazine, Money Management, lists 35 and also gives the split between the three "arms" of the portfolio and recent performances. Although it is too soon to gauge the long term growth potential of these products, the impression already gained is that while they do not appreciate as much as a growth portfolio in a bull market, the downside risk in a bear market is much lower.

The latest breed of managed bonds have some kind of guarantee. The Hill Samuel Fortune Managed Bond was the first to include a guarantee and makes allowance for this by creating a special reserve. Thus the managers claim that the guarantee has no inhibition on the composition of the portfolio.

Contrarywise, Trident Guaranteed Managed Bond matches the guarantee with the portfolio, which is mainly compiled of fixed interest securities and convertible loan stocks. In this case the guarantee is the highest on the market and amounts to 4.85 per cent. a year for the first ten years.

Property bonds

Property bonds are another form of investment which should be able to match the rate of inflation. Over the past two years their growth rates reflected the unprecedented growth of property prices in the U.K. Realistically, one would expect their recent progress to slow down under the force of rents control and different yield expectations. Thus, whereas the past rates of growth averaged 12 to 15 per cent. a year (and sometimes went over 20 per cent. even for the bigger funds), you should expect that rate to slow down to around 8 to 10 per cent. over the medium term.

Unit trusts can also provide a useful avenue for investments since they cater for several specialised needs, both income and capital. They can provide you with an international spread of equities, too. The latest trend in trusts is to provide an overall service which gives more information and personal attention. Hill Samuel and Surinvest have recently developed personal investment management services.

All these investment media—managed and property bonds and unit trusts—can help protect your capital while giving income at the same time through a withdrawal plan. Usually, the income is a fixed amount of the original investment, but there are schemes where the income depends on the price of the units, in which cases there may may not be a sufficient degree of predictability. Withdrawal plans give between 5 and 10 per cent. net of tax and should be part of any retired person's overall portfolio.

This article has only served to point out general guidelines but since most situations are complicated by tax and other matters (say, estate duty considerations), the advice of a professional agent is often the best strategy.

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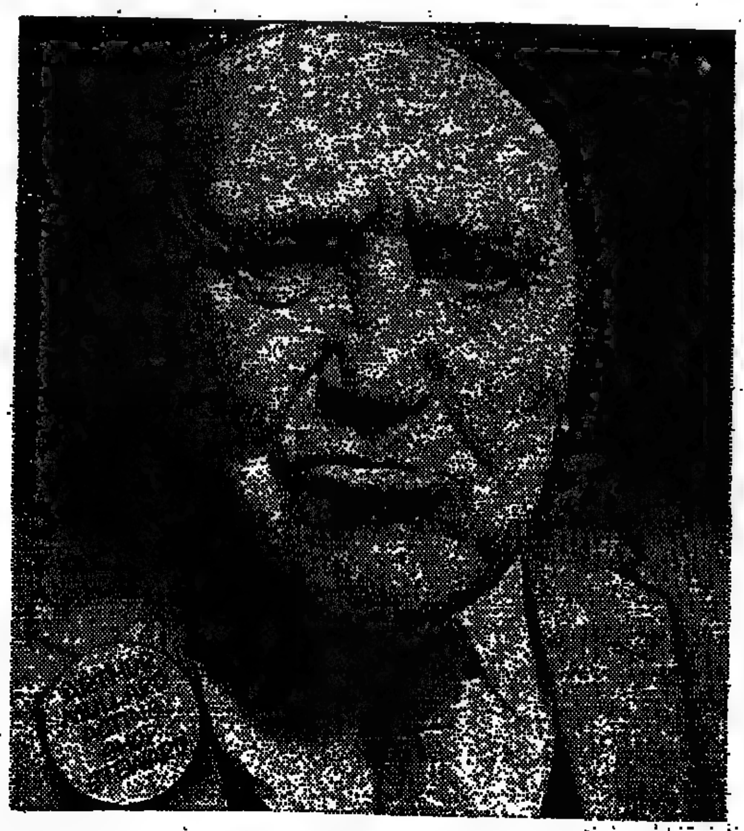

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...s are severely hit by ... their cause is re... considerable publicity ...ent. Just stop and ... point.

...xpectancy of a man ...5 is 13 years, while ...oman retiring at 60 ... With inflation at an ... of 5½ per cent. per ... value of the pension ... expectancy period ...duced by one-half ... and by two-thirds ...an.

... an effect it ought ...vident that a fixed ...etirement, even one ...al salary, is going ...minishing worth to ... retirement. Surely ... pension that keeps its purchasing value throughout the whole period that it is payable.

What is being done about this problem? Obviously what is required is the pension to increase at the same rate as the rise in the cost of living. This sounds simple, but there are certain difficulties.

Best approach

To start with we don't know what the future rate of inflation is going to be. Forecasts on this subject have proved to be very wide of the mark. The best approach would appear to be to have frequent reviews and bring the pension up to the mark and make possible allowances for inflation over the coming period.

The basic State Scheme has now gone on to an annual review and there is pressure in some quarters to make it every six months. Certainly with inflation at its present levels the reviews should be quite frequent.

How are occupational pension schemes dealing with the problem? There are some schemes that do very little about it, but since one of the recognition tests is some provision for cost of living increases this head in the sand attitude won't continue.

But these companies are in a small minority and most are making some attempt to alleviate the problems of inflation. The problem is one of cost and how to meet it. The old saying that pensions have to be paid for crops up here again.

One approach is to make periodic reviews of the level of benefits. The profits of the fund can be used to improve the pension levels, instead of reducing the employers' contribution costs. In effect this is the same thing since employees' contributions are usually fixed in relation to salary.

But these arrangements are on an ad hoc basis. There is nothing written into the trust deed and the increases are not automatic. To be fair most employers have been quite conscientious in these reviews, but in times of difficulty the temptation is there to pass up or hold back on the increases.

Another method of approach is to build into the pension payable a fixed annual percentage increase. This is usually referred to as dynamising pensions, though any system which automatically increases pensions is making them dynamic. The employer is meeting the cost of the increases during the working lifetime of the employee concerned. To dynamise a pension by 3 per cent. per annum compound can increase his contribution bill by one-fifth. As stated previously pensions have to be paid for.

More and more

This system has the advantage that such increases are guaranteed and do not depend on the whim and circumstances of the employer at the time. More and more employers are adjusting their pension schemes along these lines, boosted by the recognition requirements of opting out of the proposed State Reserve Scheme.

But this does not go the whole way to giving complete protection against inflation. The usual level of increase that is written in is 3 per cent. per annum compound. The graph shows just how partial is such protection.

It is interesting to see how divergent is the purchasing power of a pension with a nil and a 3 per cent. increase and the growth of inflation at the average over the past 10 years and at the rate over the past year.

Yet another way is to link the value of the pension to that of a specific unit fund. This method is frequently found among self-employed contracts on the market. The protection provided depends entirely on the performance of the fund, which can have embarrassing drops even though the overall trend is upwards.

For this reason the more stable property or managed bond funds are more suitable for this purpose. However, protection in this case depends purely on whether one is in the right fund. It must consistently outperform, not an index of share prices, but the index of the cost of living. Very few funds publish this sort of comparison.

A consideration of these various methods of hedging pensions against inflation leads to one conclusion. That the problem has by no means been solved, or anything like it. Inflation still has the upper hand.

Welcome though these moves are to pensioners as compared with the fixed pension of a few years ago, it still does not go far enough and employers and pension advisers should not become complacent. The provision of pension benefits has always tended to take quite a while to adjust to changing conditions and over the past few years conditions have changed very rapidly.

It is always difficult to look ahead at future developments in the pensions field, but the next steps could well be a combination of the above methods. For instance, pensions increases could be guaranteed at a certain rate per cent., such as 3 per cent. and still be reviewed periodically to adjust for the actual rate of inflation that has been experienced.

Alternatively, with profit insured schemes could consider declaring bonuses on pensions already being paid. This would provide a partial hedge against inflation, but complete protection would depend very much on the performance of the fund.

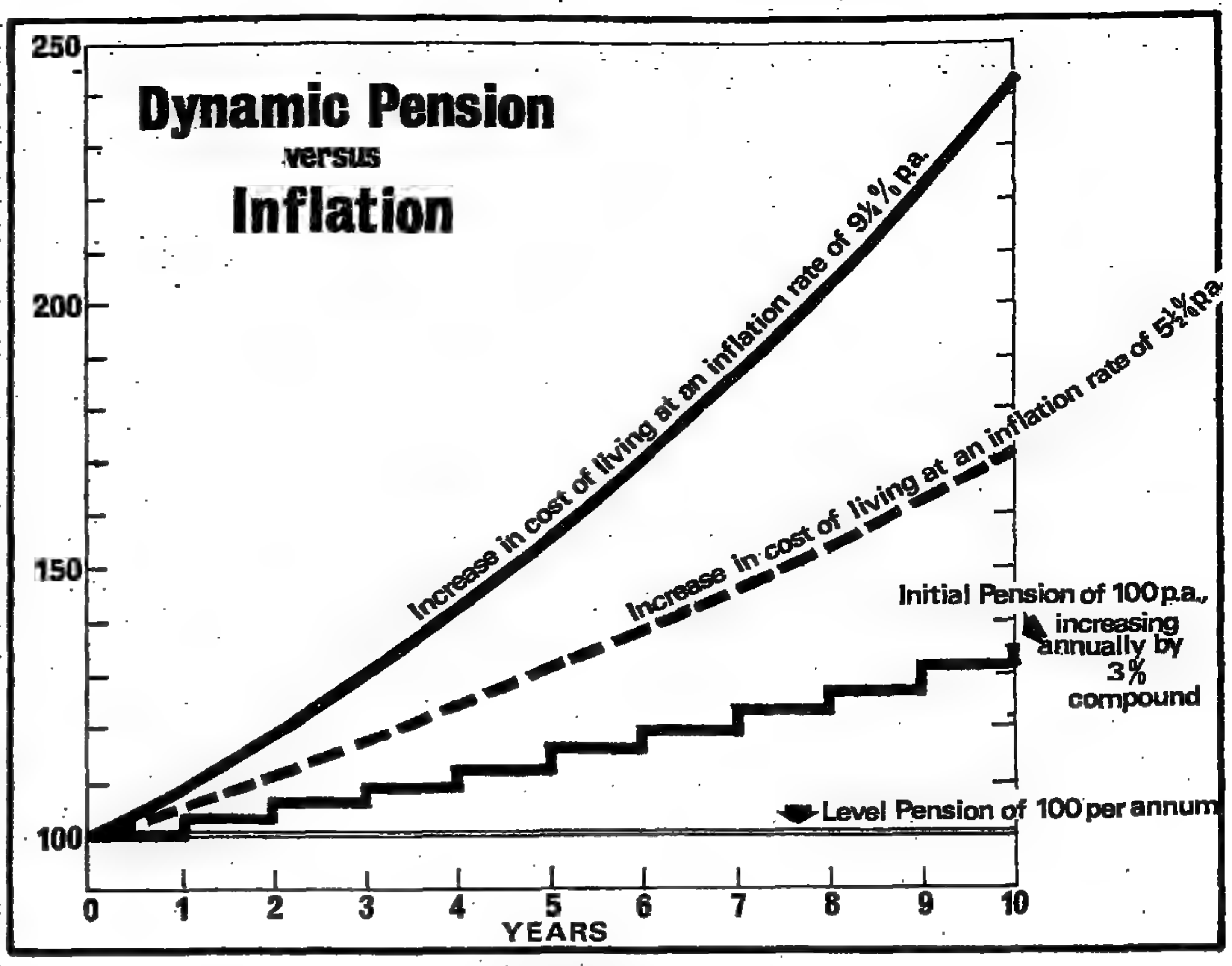
Again the question of cost and performance enters the considerations. But too often, the dominant concern of employers has been the cost rather than the adequacy of the benefits. The employee has a right to expect that the purchasing power of his pension will be protected by the employer.

Closer watch

The best solution to the problem of costs is to get the best return on the contributions invested. This has always been true, but dynamising the pensions highlights the prime importance of investment performance. Making a pension inflation proof will almost certainly cause employers to keep a much closer watch on the results of their investment advisers. For several pension funds this step is long overdue.

For make no mistake, as the trade unions become more pension conscious the pressure will grow to ensure that dynamic pensions live up to their name in deed as in word. The pension scheme will not be just another fringe benefit but an integral part of the normal benefits of an employee.

If the cost of providing a fully protected benefit is used by employers to retard the necessary development of pension provision, it must surely force the Government to act in a really big way. If past experience is any criterion, then the costs to the employer if this happens will make his previous costs seem trivial.



...ED FROM PREVIOUS PAGE

...flation

...ople who would ...e bought annuities. ...t discussion with a ...ative of a company ... later this autumn ...ho was particularly ... joining a pension ... was set up before ... Finance Act and ... take the whole of ...t benefits in a cash ... (as can university ...d professors who ...rs of FSSU)—it ...ndantly clear that ... case for using any ...ment capital to buy ... annuities.

... by calculating his ...ncome needs from ...educted all income ...n other sources. He ...ied the balance by ...ain the capital that ...mmitted to produce ...ncome. This capital he then split fifty/fifty, putting half into guaranteed income bonds and half into unit trusts and managed bonds offering 10 per cent. withdrawal plans, thus hoping to combine any ratchet effects of the present high interest situation (if it is exceptional) with the buoyancy of equity investment which he saw as an essential safeguard against the risk of even higher rates of inflation.

Having thus more or less reached his base rate tax limit he will invest his remaining capital in himself in a manner calculated to produce little or no income and maximum long term growth taxable only at the capital gains rate. "These are the reserves I shall dip into if I live to be 90 if my other basic plans have failed to keep me abreast with inflation — incidentally my wife has a whole life policy on my life to cover the replacement of most of the capital that would be lost to the Estate Duty Office, but that is another story!"

The point of the concrete illustration is not that the others should necessarily do likewise. Few people reaching retirement have these resources or the same degree of choice. It is that the whole range of options has changed so dramatically in recent time that many conventional solutions from time past are no longer valid. Financial planning for the person nearing retirement should be taken right back to first principles and should be done with a full knowledge of the more recent developments in the insurance/investment contracts on sale to the public —or by using someone who has this knowledge.

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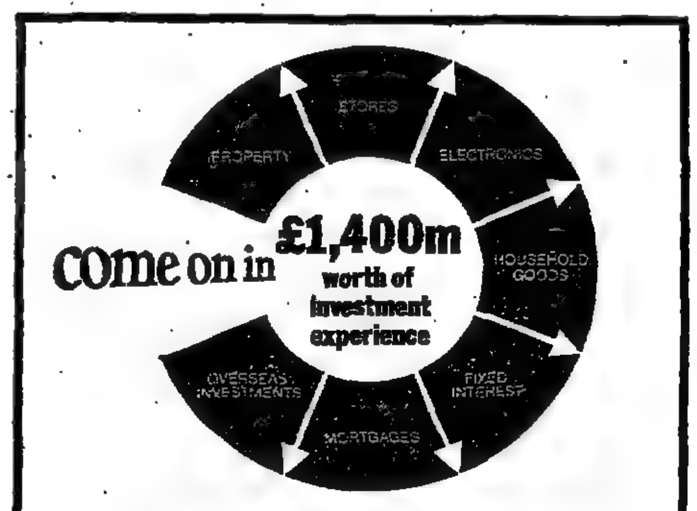

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PLANNING FOR RETIREMENT V

Long overdue recognition of the plight of the widow

By JEFFREY BROWN

Partly because reform in this field is long overdue the widow and her pension are two obvious beneficiaries of the new Social Security Act. On average a wife will outlive her spouse by as much as six years, yet many occupational pension schemes still provide no pension for the widow in the event of her husband's death. Moreover, in many cases where death benefits are provided they are often inadequate.

Last year the British Institute of Management carried out a survey of pension schemes among 570 leading U.K. industrial companies. Broadly, its conclusions were that the provision of death benefits for dependents varied widely, and also that they were largely inadequate. The most common form of pension benefit for dependents seemed to be a straight-forward lump sum payment — arguably the most inadequate provision from the point of view of employee dependents but probably the most economic for an employer.

Roughly speaking, the BIM found that 58 per cent. of staff pension schemes (74 per cent. for manual worker schemes) offered a lump sum payment as a widow's death benefit, usually two years' salary for the wife of a staff employee and one year's salary for the widow of a manual worker. Only 9 per cent. of staff schemes (just 4 per cent. of manual schemes) provided a widow's pension proper, though 31 per cent. of staff schemes (14 per cent. of manual schemes) offered dependents a mixture of both lump sum and pension.

Payment basis

Just over two-fifths of those companies in the survey which provided a pension for widows based their payment on an employee's accrued pension at death. The better method at least for the young widow—a pension based on an employee's prospective earnings—was used by nearly half the companies. To be fair, the level of pension provided for the widow was in most (64 per cent.) cases at least half her deceased husband's pension. About a tenth of companies provided more than half, while a fifth provided under 50 per cent. The few companies that provided pensions for the widows of manual workers are said by the BIM to calculate their benefits by "other methods."

The BIM also asked the companies in their survey if schemes provided a pension for widows where the employee husband pre-deceased her in retirement. A fifth of manual schemes did, while the figure at the staff level was a third; in 1967 the staff percentage had been just 22 per cent. It is clear therefore that in recent years dependent pension programmes have improved, at least in number. It is equally clear, however, that the basic message of the BIM survey remains one of inadequacy throughout the whole field of pensions for widows and dependents. Fortunately, change is on the way.

In April, 1975, the new Social Security Act will come into force. This wide-ranging legislation has taken a hard look at all aspects of social security and has come up with some imaginative changes as well as additions to the present procedures, not the least of which improves considerably the economic outlook for the widow. One of the most striking features of the proposed Act is that which makes a widow's pension not only compulsory as part of every pension scheme but lays down a minimum level at which payments must be made.

Thus all private pension schemes will eventually have to comply with the minimum limits of a new State Reserve pension scheme. Those that already do can rest content. Those schemes that do not will have to improve their benefits by April, 1975, or cease to function, in which case the State scheme takes over.

Many companies and institutions are already working on this. The Scottish Widows' Fund and Life Assurance Society, for one, reports an increasing interest in the field of widows' benefits where for some time, the Society reckons, there has been a growing realisation in industry that the widow and her needs amount to an extensive gap in modern pension cover.

Wheels in motion

The Finance Acts of 1970 and 1971 apparently did much to set industries' pension wheels in motion. These Acts altered the tax structure associated with lump-sum payments as benefit cover for widows, the effect of which was a lower limit on amounts that could be doled out in this way and still avoid the revenue. Thus, more and more pension schemes are turning to a more conventional "pension" approach, and the latest Government measures—the Social Security Act—have accelerated the process.

Full details of the new State Reserve pension are not yet laid down but a pretty comprehensive picture has emerged so far. At Scottish Widows', experience has shown that few private pension schemes are opting out in favour of the State pension, describing the process of updating those private plans that fall short of the State's new requirements as "in full swing."

Basically, the new Reserve scheme adds an extra dimension to the broad pension/allowances scheme presently operated by the Government. The present State system falls into three areas: (1) widows' allowances which last for 26 weeks from the beginning of widowhood; (2) widowed mothers' allowances which last until a dependent child is 19 if he, she or they continue to live at home; (3) a straightforward widow's pension which begins at the age of 40 rising steadily in benefit to a top pension rate at the age of 50. By next month this will be £7.75 a week.

To this basic background the new State Reserve scheme will add extra cover, bringing an earnings-related benefit to every widow. Private pension schemes will have to include widows' pensions, while for the worker unprotected by private enterprise the State scheme will from 1975 begin to cover his wife on a pension basis in the event of his pre-deceasing her. The new pension level amounts for the widow to roughly half a husband's retirement pensi[on] or half his pension entitlem[ent] at death.

Several schemes

As for the private pens[ion] and the widow, there are [a] number of schemes from wh[ich] a company can choose. M[any] in fact are tailor-made to [suit] individual requirements. Scottish Widows' just about [the] highest grade of pension t[hat] the Society can offer (under present tax laws) is a ret[ire]ment pension for the mal[e em]ployee of two-thirds his [salary] at the time of stepping [down] into which can be built [cost of] living clauses. On the de[ath of] a husband a widow can [receive] two-thirds of this pension [which] in effect is not quite half [(four-]ninths) of her late hus[band's] retiring wage.

This level of pension co[mes] very much under the "top [hat]" heading and in some cases [the] widow can actually turn [part] of her benefit into cash. If [this] sort of pension scheme rat[her] overshadows State benefits [it] must be borne in mind t[hat] employee pension contributi[ons] are that much higher throu[gh]out a working life.

Annuities and cash withdrawal plans

By KEITH LEWIS

On retirement many people face the problem of where to place a lump sum to find the best return. For some it is a question of generating the maximum amount of income while at the same time ensuring security. And for others the primary aim is to preserve capital for surviving relatives in the event of death. In short, every case will demand individual treatment.

However, what can be said with certainty is that to-day there exists a wider range of schemes and devices than at any time before. It is a question of identifying the requirements and being aware of exactly what is available.

The most popular method of generating income in the past has been to purchase an annuity, which will give a predetermined income (normally payable half-yearly in arrears) until such time as the annuitant dies. There are more complicated forms, of course, such as the joint annuity, where when one or other of the annuitants dies the income continues for the survivor until such time as he or she dies. For the straight-forward traditional annuity at to-day's high level of interest rates, a man of, say, 65 can expect to receive (at very best) a return of 15 per cent. gross on his money. Roughly speaking, just under half of this income will be liable for taxation, the remainder being considered by the Inland Revenue a return of capital.

As for the joint annuity, there are a great many complications in writing annuities for more than one person: an age differential would be one main obstacle to overcome. But for persons (normally husband and wife) of roughly equal age a rate of the order of 10-11 per cent. could be reasonably expected. These tend to be individual "one-off" cases, however, and the advice of a good broker who is in a position to shop around is essential.

The traditional annuity can, in some ways, be considered a straightforward gamble with the insurance company. Since there is no return of capital and the contract is open-ended the annuitant is really matching himself against the actuaries' calculations of how long he or she will live; anything above the actuaries' estimate and he is in pocket, anything below and he loses.

Two components

However, to-day there are a great many alternatives open to the person in these circumstances. Perhaps the most popular scheme is the guaranteed income bond. Basically, this, too, is a form of annuity: the difference is that there are a number of layers that go to make up the package. The two basic components are a deferred annuity, which ensures that the capital sum is returned at the end of the period, and an immediate annuity, which provides the income. Rates of up to 9 per cent., net of income tax and capital gains tax, can be expected, depending on the age of the bondholder and the length of the term, which in this case is fixed.

To understand the function and correct application of the bond one must first understand the mechanics. In simplest terms, say a £10,000 lump sum is paid for a ten year bond; roughly half of this amount (£5,000) will go to the income side of the equation, with no return of capital; the other half will go to the deferred annuity, which will have to double in value to return the £10,000 after ten years. Assuming that the bondholder is a standard rate taxpayer then no liability to tax arises at any stage. However, for the surtax payer a liability may arise at the end of the period on the "gain" element in the return—in this example £5,000. The method of calculation of liability is to divide the gain by the number of years the policy has been in force—in this case 10 years, resulting in £500—and this sum is then added to the other income generated in the year of maturity, and an appropriate rate is then struck for application to the total £5,000.

Another major new form of lump sum investment is the unit-linked bond with a withdrawal plan attached to provide income. Normally these may be linked to a fund of ordinary shares, property or a mixture of those two elements plus fixed interest (a managed bond). For the person who must know in advance what his income will be it is essential to choose an investment which has steady growth characteristics, since on some funds it is possible to withdraw a fixed percentage of the original sum while on others it is permissible to choose a percentage of the value of the investment throughout its life. With the latter method, which is not the most popular, it clearly imposes the greatest strain (that is, liquidates the greatest number of units in order to meet the income payment) when the units are at their lowest ebb.

However, for the most part the bond companies recommend that 6 per cent. of the value of the original investment is about right to ensure that the value of the capital is more than maintained over the term. Anything above this and the capital sum after the term may even be lower than at the outset.

Although for the standard rate taxpayer the income payments are free of all taxes, the surtax payer again faces a liability on the gain element. Clearly, in the early life of the contract this will be very small, but as the policy matures so the balance between original capital sum and the gain changes. The tax position, then, can become a little complicated and, indeed, the bond industry is currently holding discussions with the Inland Revenue on the question of how successive withdrawal payments from single premium bonds may be treated for tax purposes. The difficulty is in isolating the gain content.

But be that as it may, single premium bonds remain an attractive alternative—especially if the quality of investment management is of a high order, so giving the bondholder a tax-free income (for most people) plus an investment which incorporates at least some counter-inflation qualities. One of the problems of selection is that in the managed bond field, for example, the oldest has only been in operation for less than three years, though on property bonds the records do at least stretch back for up to seven years.

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ɜw code for directors

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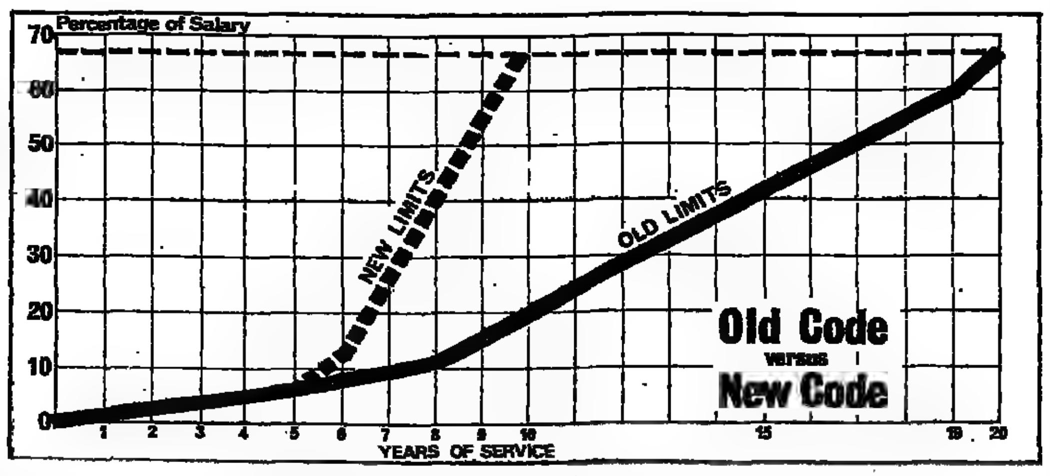
, at the Committee Finance Bill, a new accepted which re- ain restrictions on ıf companies to pro- ns for its directors. of this repeal, to subsequent Inland rcular, "it will be companies to pro- ıent benefits to all ıp to the limits ɔther employees sub- certain restrictions have a substantial ; in the company." restrictions applied to "controlling efined as those hold- ɜnt. or more of the company where the ld more than 50 per equity. These were ause it was felt that ı such a position undue influence on arrangements which m.

ıition of a "control- r" remains in use vents such directors ıg schemes brought under the so-called —i.e., the one which fore 1970—but such n participate fully mes subject to two

one of these states director, the wife, minor children of , and the trustees ɜment to which the the wife or the the director, have ıssets, together own 'ing more than 20 the voting rights ɔany providing the in a company that company, then the not be able to use efinition of "final ı" which bases the remuneration 'ear. Instead it has to use one of the permissible definitions which are based on the average of a period of at least three years.



Revenue ruling

The Inland Revenue points out that this restriction does not apply to controlling directors with less than 20 per cent. interest in the company, but does apply to directors with substantial interests who are not controlling directors.

As with the definition of "controlling directors" the idea behind this restriction is that those with the so-defined "substantial interests" might be in a position to boost their salaries artificially in the final year of service so as to up the benefits of their pension arrangements.

The fact that controlling directors are still not permitted to enter "old code" schemes is no great disadvantage for in almost all cases the provisions of the "new code" are more generous. In addition, a number of existing employee schemes do not provide the fullest benefits, whereas directors' schemes usually are based on gaining the full advantages. Thus there is a strong tendency to continue to produce "tailor made" schemes as in the past but now with the benefits of tax deductibility.

Under the "new code" the upper limit of two-thirds of final salary remains but a number of other important restrictions are lifted. First, the provisions for the "short service" pension have been greatly improved. Previously only those with 20 years' service with one employer were allowed the two-thirds pension. Now, however, the qualifying length of time has been reduced to ten years, with proportionate improvements for those who have served for shorter periods of more than five years.

Also, the limits on lump sum payments at retirement have been separated from pension limits. A lump sum of one and a half times final earnings may be provided for anyone with 20 years' service or over, while there is a sliding scale for shorter periods—that is, a quarter of salary after eight years, a half after 11 years and a full year's salary after 16 years.

Other provisions of the "new code" relate to expanding pensions in line with inflation. Another worthwhile feature is the relaxation of restrictions on the levels of widows' pensions in retirement. With relation to death-in-service benefits, the maximum provisions under the new code are (a) a lump sum equal to four times salary (less any lump sum benefits from other pension schemes) and (b) a widow's pension up to a limit of two-thirds of the member's prospective pension. Finally, if the maximum benefits are not being provided for any employee he may make his own contributions and obtain full tax relief.

There has always been the tendency for the top end of the pension market to cater for directors individually, whether they were "controlling" or not, so to this extent there is no great change. However, companies like Guardian Royal Exchange are increasingly noticing that they are being approached by companies wanting "new code" schemes for groups of two or three directors, where the wage bill involved is often in the region of £60,000. Since there is a desire to obtain full benefits, and also because directors tend to be within ten to fifteen years of retirement, the premiums tend to be large. It is not unusual to find single premiums in the region of £6,000.

Key employees

Some companies have already introduced special schemes orientated towards the "top hat" end of the market. One such is Legal and General's "High Performance Pension Plan," which is described as "a special scheme for key employees."

A number of such schemes are run by other large insurance companies and there is no doubt that there will be a continuing demand for them. Whether the derestriction of controlling directors will lead to an increase of demand seems unlikely for the simple reason that companies have never been able to afford not to look after their key executives. The real benefits seem to lie in the provisions of the "new code." Although other provisions such as annuities, described as "retained benefits," have to be taken into account under the new provisions, company directors have certainly gained from the insurance changes of the past three years.

IT'S NEVER TOO LATE

Right up to the day before he retires a self-employed person can initiate a Personal Pension Policy. Strangely enough, if his rate of tax is high he could receive on retirement a non-taxable cash payment which could be nearly as much as, or even more than, his total net contributions, in addition to a pension payable for life.

If a man enters at 64 next birthday and pays 2 years premiums, he could do quite well, but by waiting till then his retirement income could be inadequate. Far better to start earlier. The following examples illustrate this point:

Age next birthday at entry	Retirement Age	Annual Premium	Estimated Annuity	+	Tax-free lump sum	Net Outlay
40	65	£ 500	£3,695	+	£11,085	£9,100
50	65	1,000	2,671	+	8,013	6,000
60	65	1,500	989	+	2,969	3,800
64	65	1,800	344	+	1,032	900

The benefits quoted assume our present rate of interim bonus but make no allowance for the Terminal Bonus which is being added to with-profits policies becoming payable now. In the first example quoted above, if these benefits were being received now they would be increased by a pension of £739 plus a tax-free lump sum of £2,217 because of Terminal Bonus. The Net Outlay figures assume a liability for unified tax of 30%, 50%, 60% and 75%respectively. It may not be too late at 64; at 40 it's certainly not too soon. For further details and information, contact:

Charles S. Brown,
Agency Manager,
35 St. Vincent Place,
Glasgow, G1 2EP
Telephone: 041-221 8844

scottish amicable

ESTD. 1826

LIFE ASSURANCE SOCIETY
35 ST. VINCENT PLACE GLASGOW, G1 2EP
CRAIGFORTH STIRLING

,sic moves to 'set estate duty

H LEWIS

.e great headaches ɔerson approaching state duty, with all les. However, some ɜs are quite fundat is possible greatly ne problem by some courses of action. , some people have up in low income ıtions which, if left attract estate duty. ɪving it away—pro- ɜurvives for seven an improved situa- buying a depreciat- ɜ, say, a motor car, ɪive the situation ɜn further since the dutiable within the at the value of the .h of the donor; in if the cash is doing : the owner one may give it away.

ool fees

euvre that escapes ıer—or at least has ıs to pay the school vance for grand- o do this one must trust for the child- that the estate duty s that the gift is ɪn other words, nor has no further money. The reason duty free is that the ating a child cannot ɜd. Normally, the ed goes out of ɪight away, though of course, be prob- paying schools are s some people are t the moment.

orthodox level, one hings for a married ısider is an "equalisation of assets." One example would be to make the house over in joint names with the spouse so that on the death the duty liability is only assessed on one half of the total value of the property.

Just the careful wording of a will can be very advantageous. One of the most popular precautions is to allow the estate to pass to the surviving wife for "life interest only." What this means is that the wife may not eat into the capital (net of duty) but may live off the interest arising out of the fund so that when the wife dies the estate passes to the children entirely free of any further duty.

One extra clause that can be added to this provides that the trustees of the estate may make loans to the surviving spouse. To put this into figures let us assume that the wife has £50,000 of her own assets and the husband on death passes on a further £50,000 net of estate duty. If the trustees agree to allow the wife a loan of, say, £2,000 per annum and she survives for 10 years, the loans outstanding on her death may be paid out of her own estate before duty. So, at the end of the day the £50,000 she received from her husband for life interest only passes to the children free of liability. And her own £50,000 for estate duty purposes has been reduced by £20,000 (10 years at £2,000).

Yet another ploy is for the wife to pay the estate duty arising on the husband's estate out wife may pay the latter out of her own £50,000. The remainder of her own funds. Say the man started off with £80,000 gross and the liability was £30,000, the of her own funds (that is, £20,000) and the gross amount of her husband's estate (that is, £80,000) would still allow her to live off a combined income arising out of £100,000. The difference is that on her death the only liability would be on the £20,000 of her own money—and that amount would be negligible.

Never worse

In the case of equalisation of assets the donor has to survive the customary seven years to have maximum effect. Up to four years the "gift" is fully dutiable; up to five years, 85 per cent. is dutiable; up to 6 years, 75 per cent. and up to seven years, 40 per cent. The main thing to remember is that the position can never be made worse by these moves but, if put into effect early enough, they can be greatly beneficial. To do nothing can turn out to be very costly.

There are certain applications of life assurance that can prove very worthwhile. A good plan for the fit sixty-year-old, or thereabouts, is the back-to-back policy. It is important that the policies be issued by two separate companies in order to convince the estate duty office that the policies were issued on a realistic basis—in other words on the normal medical basis and at normal premium rates.

The method is to take any amount—say, £16,000—and with it buy an ordinary annuity. The income may then be used for payment of premiums on a whole of life policy written to benefit the son or daughter. The income from the annuity, which will attract income tax on only 40 per cent. of the total (the remainder being regarded as return of capital) will be more than sufficient for these premium payments and thus will still provide a useful level of income. Furthermore, the premiums will be regarded as having been paid out of normal income and not from capital so that as a result the £20,000 which is payable upon the death of the donor will pass estate duty free to the policy beneficiary—in our example, the son. There are, of course, more sophisticated arrangements when higher sums are involved and, generally, it would pay the individual to seek the advice of insurance broker specialists.

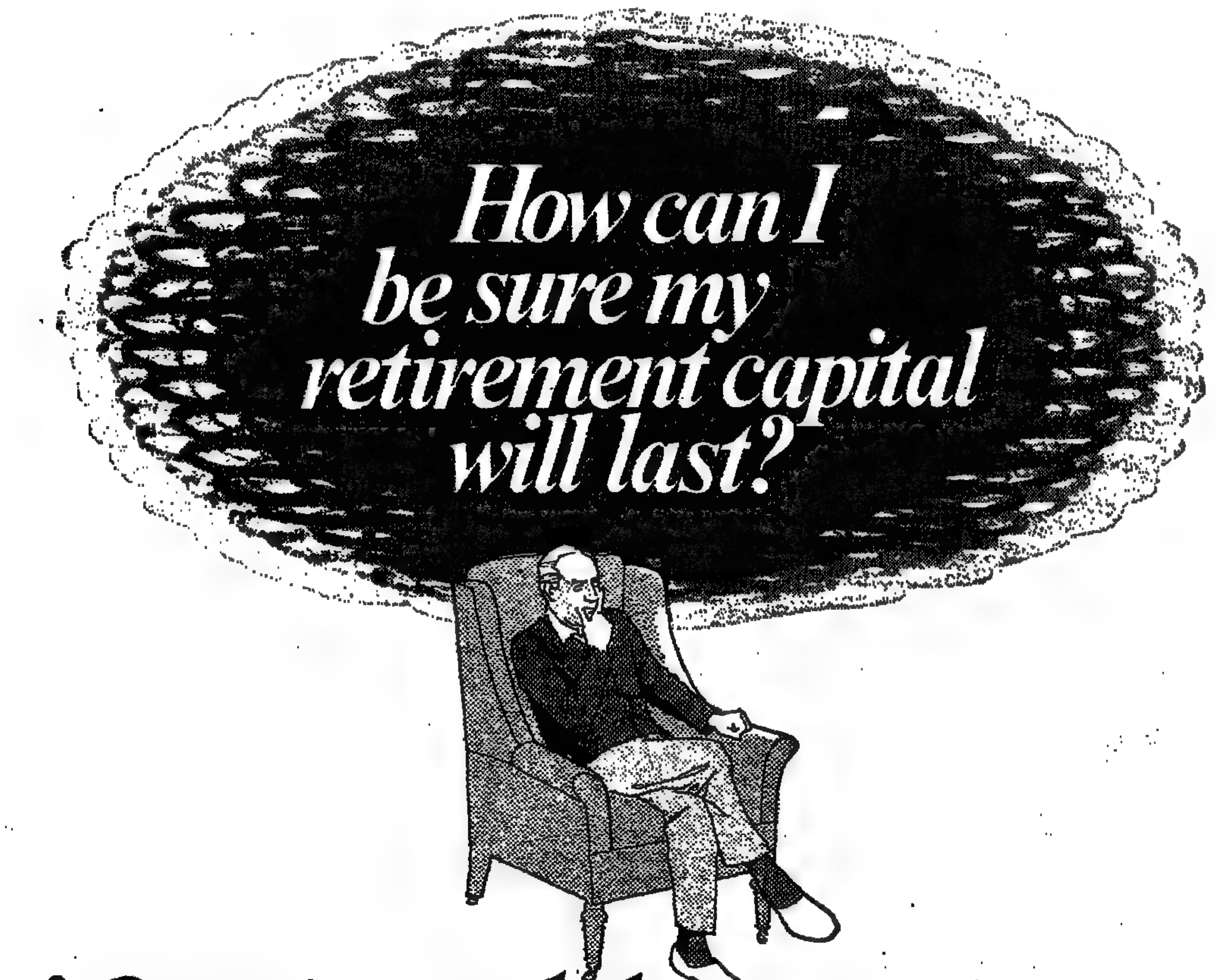
However, what should be clear by now is that if certain basic precautionary moves are put into operation early enough—as in the careful wording of a will, the transfer of estate to joint ownership and so on—considerable savings can be made.

Half Yearly Payments
ɡuaranteeing a
ırn of more than
% over five years

come exceeds 10% per annum
net of standard tax

See advertisement on page 26

Fidelity Secure
Income Bond



Lifeguard have three profitable ways...

If you've reached retirement, this could well be your biggest worry. Precious capital draining away fast . . . hit by inflation and market fluctuations. Will it last out? Couldn't you do with more income *now*? Regular, *continuing* income?

The time has never been so right for taking up a Lifeguard Annuity Bond. They offer a choice of investment to suit your needs . . . each one providing income at an extremely competitive level. Consider your options today. You will soon realise that the handsome guaranteed income from a Lifeguard Annuity, coupled with the comfortable security it brings right through retirement . . . just cannot be equalled. We will quote you an income for any age. The figures below are based on a man aged 70, investing £10,000 and taking his income twice a year. For ages over 70 the income would be even higher, while monthly income payments can be arranged at a slightly lower rate.

PLAN 1
Assuming you are a male aged 70, investing £10,000, this plan would provide guaranteed income of
£1,722 per year for life
Or £1,477.80 net after deduction of basic rate tax.

PLAN 2
...or a guaranteed income of
£1,560
(or £1,364.40 net) per year for life, with a return of the whole original investment on death, less the total gross income instalments paid to date.

PLAN 3
...or a guaranteed income of
£1,889 for ten years
(£1,706.60 net), or until death if earlier.

To see, without obligation, exactly how much income a Lifeguard Annuity Bond will bring you, just return this coupon. Alternatively, discuss it with your insurance broker.

To: *Lifeguard Assurance Limited,*
Swan Court, Petersfield, Hampshire
GU32 3AQ.

I wish to invest £________

Please quote me my yearly income based on Plan 1 ☐ Plan 2 ☐ Plan 3 ☐

I would want income half-yearly ☐ monthly ☐ in arrear.

Name________ Date of birth________

Address________

FT2

Lifeguard Assurance Limited is well-known to insurance brokers as the parent company of the Lifeguard Group, an organisation with over £35 million in assets. The company was formed by a group of Lloyds' members, brokers and underwriting agents, who subscribed all the original fully-paid share capital. The recently launched, highly successful Saveguard Growth and Income Bonds also come from the Group.

Lifeguard
ASSURANCE LIMITED

FIDELITY FIVE YEAR SECURE INCOME BONDS GUARANTEES

10.12% TAX PAID PER ANNUM

Fidelity Life Assurance Limited

When you invest in Fidelity's Secure Income Bonds you receive:

A GUARANTEE Your investment will be returned to you intact at the end of five years.

A GUARANTEE You will receive half yearly payments exceeding 10% per annum, on which standard rate tax payers will have no tax to pay.

A GUARANTEE Should you die within the five year period, income ceases and the return will be 100% of your investment.

A GUARANTEE If you should need to withdraw you may do so at any time and with profit to you after the first six months.

The high rates of interest currently available to Institutions enable Fidelity to offer investors guaranteed returns in excess of 10%, net of basic tax. (Equivalent to gross rates of over 14% p.a.)

The need for an investment which guarantees you a high income and returns your money after a relatively short period is obvious.

In effect this leaves your capital relatively uncommitted over the long term whilst offering you the benefits of a guaranteed high income bond.

If you are aged between 40 and 80 Fidelity's 5-year Secure Income Bond makes an ideal investment offering you a return that outstrips building societies and savings banks.

The actual rates of income vary according to age attained, at entry, but is in every case at or between the specimen age shown below.

NET INCOME FOR EACH £1,000 INVESTED

Age Last Birthday	Males	Females
40	£101.31	£101.27
50	101.49	101.35
60	102.01	101.69
65	102.55	102.00
70	103.52	102.58
75	104.98	103.57
80	107.29	105.30

CASHING-IN EARLY FACILITIES

Although the full benefit from the Fidelity Secure Income Bond will only be derived if your investment runs the full 5 years, you may cash in at any time.

If you cash in during year 1, you will receive 95% of your initial investment, and this amount increases by 1% per annum up to 100% after 5 years. The table shows how this works.

PROPORTION OF INVESTMENT RETURNED IF YOU CASH IN BEFORE FIVE YEARS

End of Year	% of Investment returned
1	96
2	97
3	98
4	99
5	100

In addition, you will of course have received your income of at least 10.12% every year. Effectively, this means that even if you cash in after only 1 year, you will have received 106.12% of your initial investment.

HOW THE BOND WORKS

As soon as you purchase your Bond, minimum investment £500, your income is assured for the next 5 years at a fixed amount between 10.12% and 10.72% p.a.
You will receive a total of ten income payments at six monthly intervals, net of tax at the basic rate (see full tax details below).
Payments are made on the 20th of each month, commencing, on the nearest payment date, six months after the inception of the Bond.
After 5 years the amount of your initial investment will be refunded.

TAX BENEFITS

If you pay tax at the basic rate of 30%, your return is as stated in the table.
Even if you pay tax at a higher rate, this only applies to a small part of your income – the greater part is tax free.
There is no liability to tax when you cash in the bond unless you are a surtax (higher rate tax) payer at that time, though this liability is on only a part of the return and is calculated on a special basis. The company will be pleased to advise surtax payers on this matter.
An extra benefit of the Fidelity Secure Income Bond is its flexibility – after 5 years, instead of taking a cash payment, you can choose the option of an annuity that provides an income for the rest of your life, at the guaranteed rates arranged at the time of your investment.

IMMEDIATE REFUND OF MONEY IF YOU DIE

If you die at any time during the period of your Bond, the investment would automatically be cancelled and your estate would receive the full amount initially invested.

HOW TO BUY YOUR FIDELITY 5-YEAR INCOME BOND

Simply complete the application form and send it with your cheque, minimum amount £500 and multiples of £100, to Fidelity Life. As soon as your application has been processed you will receive your Bond by post.

To: Fidelity Life Assurance Limited, Head Office,
Fidelity House, Corporation Street,
High Wycombe, Bucks. HP136TQ
Telephone: High Wycombe (0494) 35821
Registered office as above. Registered number 869405

Surname Mr/Mrs/Miss ____________

Full first names ____________

Address ____________

Date of birth ____________ I wish to invest £ ________

(minimum £500 and multiples of £100) in a Fidelity 5-Year Secure Income Bond and I enclose my cheque for this amount payable to Fidelity Life Assurance Limited.

Please issue in my name and on my life in the annuity policies forming a 5-Year Secure Income Bond in accordance with the terms of this application. I am a resident of the United Kingdom.

Date ____________ Signature ____________

Note: This advertisement is based on present Law and Inland Revenue practice and assumes that the policies will be treated by the Inland Revenue as purchased Life Annuities within the meaning of the Income and Corporation Taxes Acts 1970. FT1

Pollution research bill rises £200,000

THE FIVE research councils for investigating pollution spent £1.2m. during 1971-72—£200,000 more than in the previous 12 months, it was disclosed yesterday.

A joint report, called Pollution Research and the Research Councils, shows that the largest amount was spent on studying the effects of pollutants on man, animals and plants—£589,000, compared with £327,000 the previous year.

However, the bill for monitoring the dispersal of pollutants was down from £454,000 in 1970-1971 to £345,000. "This is consistent with the policy of putting more into effects and less into monitoring," said Dr. Gwyneth Howells, secretary of the Inter-Research Council Committee which drew up the publication.

There was a notable increase in the amount spent on researching the sea, estuaries and inshore waterways — up from £91,000 in 1970-71 to £273,000.

The estimated expenditure on the controversial problem of noise fell by £12,000 to £20,000.

Study of pesticides and organic wastes remained a large factor in pollution research. There was a big increase in support for work on heavy or trace metals, and studies of gaseous pollutants also increased.

The report was issued jointly by the Agricultural Research Council, the Science Research Council and the Social Science Research Council.

'Need for sea liner code'

By James McDonald, Shipping Correspondent

A UNIVERSALLY acceptable world "code of conduct" for shipping liner conferences was desirable and should be based on non-discriminatary principles. This was the "saccharine" decision (as one delegate described it) of a two-day meeting in London which ended last night.

Ministers and representatives of 11 nations discussed various questions of shipping policy and problems facing international shipping in connection with the continuing spread of "flag preference."

There were delegations from Belgium, Denmark, West Germany, Finland, Greece, Italy, Japan, the Netherlands, Norway, Sweden and the U.K.

Channel banks: no freeze

BY OUR OWN CORRESPONDENT JERSEY, September 28.

FOLLOWING RECENT talks between the Bank of England and a delegation from the Channel Islands, banks and finance houses in Jersey and Guernsey stated to-day that they will not be bound by the Bank's request for a 9½ per cent. interest ceiling on deposits of less than £10,000 — except where the deposits come from the U.K.

Although a number of Channel Island banks advised local depositors that they would be complying with the request, the island authorities considered this was a measure introduced to meet U.K. needs, which should not be extended to the offshore islands

Economic Diary

THE PRIME MINISTER meets a delegation from the Confederation of British Industry at Downing Street on Monday to discuss Phase Three of the pay and prices policy.

On Tuesday the sterling area gold and convertible currency reserve holdings at the end of September will be published.

Other events and statistics next week include:

MONDAY — Labour Party Annual Conference opens at the Winter Gardens, Blackpool. Chrysler shop stewards meet in Coventry. Car hire purchase statistics for September expected. Hire purchase and other instalment credit business (August). Retail trade (August). Housing starts and completions and house improvement grants (August). British Tourist Authority annual report.

TUESDAY — Prime Minister attending the Milk Marketing Board lunch, Dorchester Hotel, London. Capital issues and redemptions (September).

WEDNESDAY — Sir Alec Douglas-Home, the Foreign Secretary, at the Newspaper Society dinner, Stationers' Hall, London. Mr. Anthony Royle, Parliamentary Under Secretary of State for Foreign and Commonwealth Affairs, speaks at the Financial Times conference on Business Opportunities in the Pacific Basin, Singapore. Publication "Financial Statistics" includes central Government borrowing requirement (August).

THURSDAY—Capital expenditure by the manufacturing, distributive and service industries (second quarter). Import and export unit value and volume index (August). Manufacturers' and distributors' stocks (second quarter).

FRIDAY—London Gazette will contain the Consolidated Fund and National Loans Fund (September). National income and expenditure (second quarter).

THIS WEEK'S SE DEALINGS

Friday, September 28	7,032	Tuesday, September 25 ...	[illegible]
Thursday, September 27 ...	6,804	Monday, September 24	[illegible]
Wednesday, September 26 ...	6,924	Friday, September 21	[illegible]

The list below records all yesterday's markings and also the latest marking during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in brackets).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of the London Stock Exchange have been recorded in the Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. Φ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying in". $A—$Australian: $B—$Bahamian: $C—$Canadian: $HK—$Hong Kong: $J—$Jamaican: $Ma—$Malayan: $Me—$Mexican: $NZ—$New Zealand: $S—$Singapore: $US—$United States: $WI—$West Indian.

BRITISH FUNDS, ETC. (593)

2½pc Anns. 22¾
2½pc Anns. 22¼ (24/9)
3pc British Transport Stk. 1978-88 47½ [illegible]
4pc British Transport Stk. 1972-77 81¼Φ [illegible]
2½pc Cons. Stk. 22Φ 1¼ [illegible]
4pc Cons. Ln. 35Φ 4½ [illegible]
3½pc Conversion Ln. 30½Φ [illegible]
5½pc Conversion Stk. 1974 (Reg.) 95¼
5pc Exchequer Ln. 1976-78 79¾Φ [illegible]
6½pc Exchequer Stk. 1976 90¼Φ [illegible]

[illegible]

INTERNATIONAL BANK STOCK (1)

FREE OF STAMP DUTY

5pc Stk. 1977-82 [illegible]

CORPN. & COUNTY—U.K. (87)

FREE OF STAMP DUTY

[illegible]

Birkenhead 7pc 85Φ (27/9). 3½pc (27/9). 5pc 87⅛ (27/9). 5¼pc (24/9). 6pc 81¼. 7¼pc 78¼ 9 (...) 9¼pc 88Φ (27/9)
Brighton 6½pc 80Φ ¼
Bristol 3½pcDb 29½Φ (27/9). 5pc [illegible] 5¼pc 80 6½pc 83¾ (27/9). 7[illegible] 7¼pc 82 (25/9)
Buckinghamshire 5¼pc 87½. 7[illegible] (26/9) 9pc 86Φ
Camden 6½pc 77½ (24/9)
Cardiff 7pc 76½ (26/9)
Coventry 7pc 89¼ (24/9)
Croydon 5½pc 81Φ ½ (27/9). 6¾pc [illegible]

[illegible]

13½pcBds. Reg. (Hackney, Kingston, Lewisham, Woking) 2/10/74 100[illegible]

PUBLIC BOARDS, ETC.—U.K. (26)

FREE OF STAMP DUTY

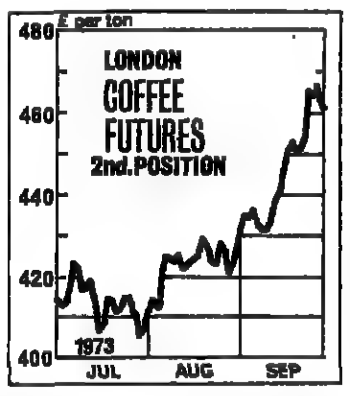
Belfast Harbour 75 (26/9)
Electricity Board for N. Ireland 5½pc (24/9). 6½pc 66 (24/9). 7½pc (24/9)

COMMODITIES/Review of the week

Sharp recovery in metals

BY OUR COMMODITIES STAFF

BASE metal market prices staged a sharp recovery yesterday, after generally easing in the previous three days. Copper cash wirebars jumped by £22.5 to close last night at £797.5 a metric ton, much the same as a week ago. Tin and zinc prices reached new peaks, with cash tin rising by £42 yesterday to £2,167 a metric ton, while three months zinc gained £14 to an all-time high of £433.5 a metric ton.



The uptrend in copper was triggered by the New York market overnight following threats in Congress to hold up the proposed sale of over 250,000 tons of copper from the U.S. stockpile or possibly delay sales over a longer period.

The market was also strengthened by a Kennecott announcement of further delivery cutbacks in fire refined copper because of a furnace breakdown and the dispute between Cerro and the Peruvian Government.

A sharp decline in copper stocks is forecast. Meanwhile the U.S. Copper Institute reported a rise of 5,563 short tons in world copper stocks during August to a total of 345,428 tons, although this is far below the equivalent 1972 figure of 563,291 tons.

In Tokyo the Japanese Ministry of Trade said it had no plans to allow copper exports, although admitting stocks had risen sharply during the past three months because of a rise in imports. The market is expected to remain volatile, with speculators still nervous at current price levels.

News of a 48-hour walkout by workers at the Mitsui zinc and lead plants in Japan gave an extra boost to prices of these two metals, already increasing in line with the trend in copper.

In tin profit-taking, freer offerings of supplies, and a downturn in Malaysia pushed prices down initially despite last Friday's decision to lift the buffer stock ranges of the International Tin Agreement.

It was noted too that the U.S. stockpile sales were increasing in volume to over 100 tons a week. Yesterday, however, the squeeze on yearly supplies tightened again and the market was thought to be rather oversold.

Coffee prices have gained further ground on the London robusta terminal market this week under the impact of usually active speculative interest, and the lack of selling pressure from producing countries. There was some easing back yesterday on profit-taking selling, but the November delivery contract still closed last night at £460.75 a ton, £10 up on the week.

Sentiment was also aided by the agreement reached among producers to go-ahead with their plan to hold back some 10 per cent. or 5.5m. bags of estimated exportable production over the coming 1973-74 coffee year.

But it remains to be seen whether this will be more successful than previously in rationing coffee supplies to the world market. The present level of stocks in dealer and consumer hands demonstrates that some producers were not adhering to quotas agreed among themselves for the earlier part of this year.

WEEKLY PRICE CHANGES

	Latest price per ton unless stated	Ch'ge on week	Year ago	1973 High	1973 Low		Latest price per ton unless stated	Ch'ge on week	Year ago	1973 High	1973 Low
Metals						**Spices**					
Aluminium	£250	—	£220	£250	£230	Cloves (g)	£1,710	—	£1,530	£1,710	£1,620
Free Market c.i.f.	£303-8	+3.0	—	£305-10	£185.9	Pepper, White(g)	£920	—25.0	£570	£1,000	£545

[illegible]

MARKET REPORTS

BASE METALS

[illegible]

SILVER

[illegible]

COCOA

[illegible]

COFFEE

[illegible]

GRAINS

[illegible]

FREIGHTS

[illegible]

RUBBER

[illegible]

SUGAR

[illegible]

MEAT/VEGETABLES

[illegible]

WOOL FUTURES

[illegible]

JUTE

[illegible]

FINANCIAL TIMES

[illegible]

REUTER'S

[illegible]

DOW JONES

[illegible]

MOODY'S

[illegible]

U.S. Markets

NEW YORK, Sept. [illegible]

EUROPEAN SELLING triggered Commission House stops causing sharp declines in cocoa. Silver opened [illegible] following London, but another sharp [illegible] in Comex stocks prompted Commission House buying. Expectations of a [illegible] tion in LME stocks aided copper. [illegible] firmed in anticipation of good ex[illegible] Bache reports.

Cocoa—Ghana spot 88½ (88½) [illegible] Bahia spot unquoted (same). Dec. [illegible] (69.80), March 59.95 (61.95), May [illegible] July 56.65, Sept. 54.15, Dec. 51.45. [illegible] 1,646.

Coffee—Santos No. 2/3 unquoted (same). Santos No. 4 unquoted (same). Colombian Mams 72.50 nom. (same). C Contract: Nov. 66.85 (67.50-67.70), Dec. 67.[illegible] (68.40-68.50), March 68.20-68.25. May 69.65, July 69.70, Sept. 70.80 nom. [illegible] 401 lots.

Copper—Oct. 86.50 (84.80), Dec. [illegible] (79.30 settlements), Jan. 79.00, March [illegible] settlements. Sales: 1,607 lots.

Cotton—No. 2 Contract: Oct. 99.80 (91.60-92.50), Dec. 82.50-82.80, March [illegible] 81.05, May 79.40-79.50, July 74.40-74.75, [illegible] 62.10-62.25, Dec. 57.10, March 56.10. [illegible] 1,100.

*Greasewool—Spot 236.0 nom. [illegible] Oct. 222.5 (same), Dec. 221.5 [illegible] March 216.5, May 212.5, July 210.0, [illegible] 207.5, Dec. 202.5.

†Lard—Chicago loose 28.00 nom. [illegible] asked). NY drummed 34 nom. [illegible] nom.).

††Maize—Dec. 232½-232 (231), [illegible] 256-256½ (255½), May 259½-259, July [illegible] 260½. Sept. 284 nom., Dec. 221. [illegible]

[illegible]

هكذا من الأصل

ırning your house into cash

FREY BROWN

of the individual to or her income after is probably more day than it has ever . Many people living ncomes have seen y pension dwindle nonsense in relation th of the original n their capital sum. o easy solution to n of inflation, but : least a number of rrangements which dividual to make far of the assets he or s.

mong such schemes whereby the owner of a house can turn his bricks and mortar into an annuity. The Save and Prosper group, for one, has recently entered this pension field, while the Unitholders Provident Assurance group has been running such a scheme for just over a year. The Life Association of Scotland has recently called a halt to its operations in this sphere because of the pressure of spiralling interest rates. From Wales, the Hodge group runs a home reversions scheme which differs from most plans on a number of basic points.

Basically, the majority of "make your home work for you" plans revolve around the surrender of a proportion of the value of a house in return for a loan which is then turned into an annuity. The Save and Prosper scheme is fairly typical of this arrangement. Under it, up to three-quarters of the value of a house can raise a loan from the company which is then made over into an annuity for the remaining life-time of either a single person or a married couple.

Naturally a house has to be unmortgaged—that is wholly owned—and there are minimum age limits. The recent sharp rise in the cost of money has meant that Save and Prosper has had to raise the minimum age of its scheme to 70 years for a single person and to 74 years for a married couple. Obviously the trend of interest rates is important to home income plans. Low interest rates mean a lower minimum entry age and a larger income. However, once contracted the schemes are not prone to variance.

Timely move

If a pensioner or pensioned couple enter into a home income scheme when interest rates are low, then their application will be timely. Moreover, if and when interest rates move higher, their returns remain unchanged; the lower returns will simply affect new entrants to the scheme. As an example of what the Save and Prosper plan has to offer, take a single man aged 70 owning a house valued at, say, £20,000. On a £15,000 advance from the company, an annuity worth £798 a year net can be purchased. For a married couple aged, say, 77 for the man and 74 for the woman, a house worth a similar £20,000 would return an income of £620 a year.

Over at Unitholders Provident (a company ultimately controlled by three big shareholders, Estates and General Investments, Eagle Star Insurance and N. M. Rothschild) home loans up to 80 per cent. of the value of a house can be acquired and at the same time the minimum age requirements are several years lower than those at Save and Prosper. At 65 a single person can enter the Unitholders scheme, while for a married couple the minimum age is 70 years.

As in all schemes an annuity is purchased which guarantees an income for life, or for the life of a survivor in the case of a married couple. The Unitholders loan arrangement consists of repayment at a fixed rate of 7½ per cent. per annum, deducted monthly from the annuity when it is paid into the bank of the policyholder. The expenses of the scheme—house valuation, solicitors' fees—are also covered by a single deduction of 1½ per cent. from the initial loan. At the outset, consumers are asked to cover the cost of an independent valuation of their property, but in the event of a scheme being undertaken then the costs here are refunded by Unitholders and covered by the deduction from the loan.

Where a householder is single (or widowed) and over 70 in age, then up to 10 per cent. of the original loan used to purchase an annuity can be taken as cash; interest on this part-annuity part-cash scheme then rises to 8 per cent. for the loan element. The advantages here are that a cash element can be used to pay off an existing mortgage, which would have rendered the scheme problematical. Annuity loans can be repaid at any time and in the event of death of the annuitant (or annuitants) it has to be repaid within six months. Throughout the life of the scheme any increase in house values can be used to raise additional loans in order to raise annuity levels.

With dependants

As a basic illustration of the Unitholders plan, the company uses a single man aged 75 owning a house worth £12,500. His loan on a full 80 per cent. demand is thus £10,000, which can earn, via an annuity, £882 net a year for life. If the man takes up his entitlement to £1,000 in cash, net income is reduced to £703. Unitholders also runs a capital protected plan where the income is lower but where a portion of the original loan is repaid at death. That could be important for an annuitant with dependants.

Unitholders Provident has been in this field for the past 15 months and in that time it reckons to have contracted over £3m. of business. The Hodge group has been operating a somewhat different scheme for over five years, but with equal success, concentrating on the market for retired people with no dependants and therefore no need to leave property behind when they die.

Effectively, the Hodge scheme buys the house outright, offering a 99-year lease in return, which ceases in the event of the policyholder dying. The house purchase price is then geared to an indemnity with the householder continuing to live in his home at a rent of £1 per month until death. Hodge stresses that the schemes are undertaken on a very personal basis. Arrangements are made for areas like home improvements and in cases where policyholders wish for an early withdrawal, in order, say, to move into a nursing home.

The minimum age at which the Hodge plan can be entered is 69, while as an example of the sort of returns that can be expected the company usually picks a couple aged 75 with a house worth £20,000; Hodge, like Unitholders Provident, has a minimum loan of £5,000. On an idemnity from a £20,000 house our married couple can expect an income of £918 a year for life. A single man aged 75 could expect £1,580 a year and a single woman with her greater life expectancy £1,208.

Obvious enough

The advantages of this sort of scheme are obvious enough, though naturally there are disadvantages. The obvious barrier to such an undertaking for most people would be their eventual parting with their home, even if that does not occur until after death, when presumably house and owner part company anyway. But to some this can still be a major psychological hurdle—for having saved and, eventually, paid for their dwelling over countless years many people still reject the idea of being unable to pass on a prized possession to dependants or relatives.

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RCLAY

Better schemes for the self-employed

By ROY LEVINE

Over the years legislation has become increasingly liberal in regard to tax concessions on pension plans for the self-employed.

The breakthrough came in 1956 when the Government first allowed non-pensionable earnings to accumulate for a pension free of tax. But then the paid pension was still defined as earned income.

An important change in the 1970 Finance Act was the concession to allow a proportion of the matured sum to be commuted. A person reaching the age of 60 could commute an amount not exceeding three times the value of the remaining annuity into a lump sum, free of any tax. So a retired man could draw roughly a quarter of his accumulated fund.

Another important change was the increased premium which a self-employed person could put aside in any one year with full tax relief. The upper limit was the lesser of £1,500 or 15 per cent. of the net non-pensionable earnings for anyone born after 1915. Older people get even better benefits.

The Act also included a carry-over formula which allowed persons with fluctuating earnings to spread tax relief over more than one fiscal year.

Finally, up to 5 per cent. of non-pensionable earnings could be allocated to provide for dependants. Thus, a man earning, say, £10,000 could spend up to £1,500 on buying a pension of which £500 could be for some form of life assurance for his dependants.

Once you understand the technical situation there is still the decision of what kind of pension scheme to buy. It is estimated that the market in Britain for self-employed people eligible for pension or retirement schemes with full tax relief is only around 2m. So competition is tough.

Still interested

Basically, the choice is between a unitised plan and a conventional with- or without-profits contract. Both these types provide for a single premium and regular premium contracts. The newer and still-untested branch is the unitised plan, and here the investment can be in equities, unit trusts, property or, the latest innovation, a three-way fund investing in equities, property and fixed-interest securities.

Rising rates of inflation have led to increasing support for unitised types of contracts since, in general, the underlying forms of investments provide a sound hedge, whereas on a conventional contract the rewards depend on bonuses declared by the company. And these are never assured. For an examination of current interim and terminal bonus rates offered by insurance companies on traditional contracts, an examination of the August edition of Policy, published by Stone and Cox, is recommended.

Equity-linked and property linked pension schemes are too new to judge their investment merits. Of the five that have been in existence over at least four years, only the M & G Personal Pension Plan (up by a mammoth 146.7 per cent.) indicates any obvious supremacy. The others show growth rates of between 30 and 45 per cent. over the past two years, as shown in "Money Management."

The M & G plan is based on an equity fund formed exclusively for pension purposes and so attracts no tax. Another investment benefit it enjoys is that it is not hindered by redemptions since the law states that subscriptions in a pension fund cannot be withdrawn prematurely.

Main drawback

The minimum investment is £100 and the initial charge is 4 per cent. The spread in units is about 3 per cent. The investor need not decide at the outset when his pension is to start but between the ages of 60 and 70 can take it in units (which will obviously have varying values) or a fixed cash amount. There is a charge of 2 per cent. on monthly payments. The main drawback in this scheme is that there is no minimum amount guaranteed.

Another example of a unitised plan is the Barclays Unicorn Pension Plan. In this case, 97 per cent. of each premium is passed to the Personal Pension Fund and units of one of the Barclays Unicorn unit trusts are allocated to the policy at the offer price on the last business day of the month.

At vesting date the bid value of the units is used to purchase a fixed or variable pension or a combination of the two (provided the bid value of the units allocated is over £2,000).

Under the Hambro Growth Retirement Plan, the whole of each premium is applied to buy units at offer prices in either the Hambro Pension Managed Fund or the Hambro Pension Property Fund, as selected at the outset. At maturity (usually age 65) the bid value of the units is used to buy either a fixed or variable (with the underlying fund) annuity.

Before buying a pension, the investor should examine the past record of the underlying fund. Or, in the case of a conventional contract, the bonus history of the life company.

Obviously his own needs will dictate what kind of policy he should have. Since there are so many variables, the best policy would be to consult a professional adviser. Briefly, though, some of the guidelines would include an examination of the charges structure (an annual premium contract has a large front end load but offers advantages over single premium contracts of pound cost averaging and forced savings); age to retirement — the conventional plan may be better for a person with a short run to retirement while a unitised plan better over a medium to long term view; and, finally, the pension amount should not be the kind of investment that can fluctuate very widely.

CONFERENCE CONFERENCE CONFERENCE CONFERENCE

THE PROBLEMS OF RETIREMENT

13 NOVEMBER 1973
QUEEN ELIZABETH HALL

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r Wheare

THE TRADE UNIONIST'S VIEW
Victor Feather CBE
Lately General Secretary
Trades Union Congress

Lunchtime Speech:
Rt Hon Sir Keith Joseph Bt MP
Secretary of State for Social Services

THE USE OF LEISURE IN RETIREMENT
Professor H A Jones
Head of Adult Education Department
University of Leicester

HEALTH IN RETIREMENT
Dr H Beric Wright MB FRCS
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N—O—P

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Ocean Wilsons (Hldgs.) (20p) 71⊕
Ofrex (20p) 125
Oliver (George) (Footwear) (25p) 60 (26/9). A (25p) 74
Oriel Foods (25p) 151 5 4 9
Orme Developments (10p) 55 4 5. 9pc Uns.Ln. 85½ (27/9)
Osborn (Samuel) (25p) 57½⊕
Ovenstone (R0.12½) 94 2 (27/9)
Owen Owen (25p) 91 (27/9). 8pcUns.Ln. 101 (24/9)
Oxley Printing (25p) 39½
Ozalid Hldgs. (25p) 218½⊕ 18 17. 6½pc Pf. 51 (24/9)

Q—R—S

Sainsbury (J.) (Props.) 8pcLn. 64¼ 5 (24/9)
Sale Tilney (25p) 158 8
Samuel (H.) A Ord. (25p) 197
Sandeman (Geo. G.) Sons (25p) 140 38 8. 5pcPf. 41½ (25/9)
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Sanderson Murray Elder (Hldgs.) (50p) 50
Sandhurst Marketing (10p) 38 (27/9)
Sangamo Weston (50p) 118 (25/9)
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Savile Gordon (J.) Gp. (10p) 40 (26/9)
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Scapa Gp. (25p) 69⊕ 8½
Schlumberger ($US1) 59¾ (28/9)

T—U—V

W—Y—Z

CONFERENCE FOR DISABLED YOUTH

The first European conference on leisure sport nad culture for disabled youth starts to-day at Caister Holiday Centre, Norfolk. More than 240 young disabled are expected from Belgium, Denmark, France, Finland, West Germany, Gibraltar, Ireland, Italy, the Netherlands, Switzerland and the U.K.

The conference, which continues until October 6, has been organised by the Central Bureau for Educational Visits and Exchanges.

BREWER JOINS TOURIST SCHEME

Allied Breweries has joined the Tourist Boards' corporate membership scheme and, through the scheme, has gained membership of 15 Regional Tourist Boards.

BRIDGE TO CLOSE AT LIVERPOOL

From next Monday, the No. 2 bridge at Liverpool landing stage will be closed and passengers for the ferries must use the floating roadway or a temporary footbridge built across it to avoid a long detour.

This is so that phase two of the new Liverpool landing stage can be started. It should be completed by 1975.

NEW AIR LETTER ON WEDNESDAY

The small-size air letter forms at the revised charge of 6p go on sale at all post offices on Wednesday, as will as the recently introduced Welsh air letter at the same price.

CINEMAS—(Cont.)

EMPIRE, Leicester Square. DAVID LEAN'S DOCTOR ZHIVAGO (A). Mon.-Sat. 2.30 7.30. Sunday 3.0, 7.30. Late show Fri. and Sat. 11.30. Bookable.

EMPIRE TWO. Leic. Sq. Sam Peckinpah's PAT GARRETT AND BILLY THE KID (X). Programmes 2.0. 4.15. 6.30. 8.45. Late show Fri. and Sat. 11.15 p.m.

LEICESTER SQUARE THEATRE. (930 5252.) Richard Crenna. Stephen Boyd THE MAN CALLED NOON (AA). Cont. Progs. 2.10. 3.55. 6.10. 8.30. Sun. 3.35 6.10. 8.30. Late Show Sat. 11.15

METROPOLE, Victoria. 834 4673 Roger Moore as James Bond. LIVE AND LET DIE (A). Cont. Progs. Wk. and Sun. 2.30 5.20. 8.10. Feature 3.00. 5.50. 8.40.

ODEON HAYMARKET. (930 2738/2771.) Laurence Olivier. Michael Caine SLEUTH (AA). Sep. Progs. 3.00 8.00. Feature 3.10. 8.10. Sun. 4.00. 8.00 Feature 4.10. 8.10. Late Show Fri. & Sat. 11.35 All seats Bookable.

ODEON, Leicester Square. (930 6111.) Burt Lancaster. Alain Delon. Paul Scofield SCORPIO (A—London). Cont. Progs. 1.10. 3.05. 5.40. 8.15. Sun. 3.05 5.40. 8.15. Late Show Fri. & Sat. 11.15.

ODEON, MARBLE ARCH. 723 2011-2 Elizabeth Taylor. Laurence Harvey. Billie Whitelaw NIGHT WATCH (X). Sep. Progs 1.15 4.30 8.15. Feature 1.55 5.10. 8.55. Sun. 4.00. 8.15 Feature 4.40. 8.55. Late Show Sat. 11.45. All seats Bkble.

ODEON, St. Martin's Lane. (836 0691/1611.) George Segal, Glenda Jackson A TOUCH OF CLASS (AA). Cont Progs. 2.0. 3.55 6.15 8.30. Feature 2.10. 4.25. 6.40. 9.00. Sun. 3.55. 6.15. 8.30. Feature 4.25. 6.40. 9.00. Late Show Sat. 11.35

PARAMOUNT Lower Regent St. 839 6494 THE DAY OF THE JACKAL (A). Progs. 2.15. 5.15. 8.15. Late Show Sat. 11.15 p.m. Sep. Perfs. All seats bookable.

PRINCE CHARLES, Leic. Sq. 437 8181. LAST TANGO IN PARIS (X). Sep. perfs. dly. (inc. Sun.) 2.45. 6.15. 9.00. Late show Fri. & Sat. 11.45. Box Office OPEN DAILY. ALL seats Bookable.

RIALTO 437 3488. FIST OF FURY (X). Progs. 1.30. 3.40. 5.55. 8.10. Late Saturday Show 11.15 p.m.

SCENE 4 Swiss Centre. Leic. Sq. 439 4470 THE CANTERBURY TALES (X). Sep. perfs. dly. (inc. Sun.) 12.30. 3.00. 6.15. 9.10 12.00 Bookable.

STUDIO ONE Oxford Circus. 437 3300. THE HIRELING (A). Progs. 1.10. 3.25. 5.50. 8.10

STUDIO TWO Oxford Circus. 437 3300. THE DISCREET CHARM OF THE BOURGEOISIE (AA). Progs. 1.40. 3.50. 6.05 8.25.

UNIVERSAL, Lower Regent St. 930 8944 JESUS CHRIST SUPERSTAR (A). Progs. Weekdays 2.00. 4.15. 6.30. 8.45. Late show Sat. 11.15 p.m. Sep. perfs. All seats bookable.

WARNER RENDEZVOUS. Leic. Sq. 439 0791. Gene Hackman Al Pacino SCARECROW (X) Grand Prix Cannes Film Festival '73 Progs—1.30. 3.45. 6.05. 8.25. Late Fri. and Sat. 11.00 p.m.

WARNER WEST END. Leic Sq. 439 0791. John Wayne is CAHILL (AA). Progs. 2.05. 4.10. 6.20. 8.30. Late Fri. & Sat. 11.00 p.m.

SPECIAL LIST

SEPTEMBER 28th (5)

SEPTEMBER 27 (Nil)

SEPTEMBER 26 (5)

SEPTEMBER 25 (2)

SEPTEMBER 24 (5)

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

SEPTEMBER 28

SEPTEMBER 27

SEPTEMBER 26

SEPTEMBER 25

SEPTEMBER 24

هكذا من الأصل

CANALS & DOCKS (2)

COMMERCIAL, INDUSTRIAL (3,700)

A—B

C—D

E—F

G—H

I—J—K

L—M

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Guaranteed Life Assurance Cover Should you die your family would get cash or the value of your units whichever is the greater, depending on your age at entry. For example, up to 54 you receive life cover of £1,500 for every £1,000 invested.
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DATE: 4th OCTOBER 1973
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Full Name and Address (Block capitals, please)
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ADDRESS
DATE OF BIRTH
AMOUNT INVESTED £
Cheques payable to M&G Trust (Assurance) Ltd.

Complete this section also if withdrawal plan is required. Minimum £1,000.
Payable: ANNUALLY, HALF-YEARLY, QUARTERLY (Delete as applicable).
Date of first withdrawal: (Delete as applicable) MARCH, JUNE, SEPTEMBER, DECEMBER.
Please remember to allow three calendar months from the date of investment.
RATE % p.a. (Circle your choice) 5% 6% 7% 8% 9% 10%

DECLARATION
Part One I hereby declare that to the best of my belief I am in good health and free from disease, that I have not had any serious illness or major operation, that I do not engage in hazardous sports or pursuits, that I do not engage in aviation except as a fare paying passenger on recognised routes and that no proposal on my life has ever been adversely treated.
Part Two I agree that this proposal and any declaration made by me in connection therewith will be the basis of the contract and I will accept the customary form of M&G Trust (Assurance) Limited.
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Address
Date of birth Occupation
Are you an existing M&G policy holder? Yes/No
Name and address of your usual doctor to whom reference may be made
☐ Tick here if you are 50 or under and want to have a no-loss guarantee after 15 years. (There is an additional 1% charge for this).
Cheque enclosed for first monthly premium Payable to M&G Trust (Assurance) Limited £ (minimum £5)
DECLARATION
I hereby declare that to the best of my belief I am in good health and free from disease, that I have not had any serious illness or major operation, that I do not engage in hazardous sports or pursuits, that I do not engage in aviation except as a fare-paying passenger on recognised routes and that no proposal on my life has ever been adversely treated. I agree that this proposal and any declaration made by me in connection therewith will be the basis of the contract and I will accept the customary form of policy of M&G Trust (Assurance) Limited.
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[illegible]	95[illegible]	[illegible]	96[illegible]	−[illegible]	5.46	10.85
[illegible]	95[illegible]	[illegible]	95¼	....	5.74	10.33
[illegible]	95[illegible]	[illegible]	[illegible]	......	7.03	10.34
97[illegible]	93[illegible]	[illegible]	95[illegible]	−[illegible]	6.32	10.01
[illegible]	94[illegible]	Treasury 3pc 1975●	95[illegible]	−[illegible]	8.34	10.72
92[illegible]	88[illegible]	Savings 3pc 65-75	90[illegible]	−[illegible]	3.33	8.63
95	[illegible]	[illegible]	93[illegible]	−[illegible]	7.16	10.95
95¼	89	[illegible]	89[illegible]	−[illegible]	7.26	10.81
[illegible]	96	[illegible]	96[illegible]	.	4.14	6.56
[illegible]	98[illegible]	Treasury 10pc 1976●	98[illegible]	−[illegible]	10.63	10.96
[illegible]	85[illegible]	[illegible]	86[illegible]	−[illegible]	7.20	10.93
87	82[illegible]	Electric 3pc [illegible]	83[illegible]	−[illegible]	3.59	8.68
95[illegible]	80[illegible]	Transport 4pc [illegible]	81[illegible]	−[illegible]	4.92	9.44
101[illegible]	90[illegible]	Treasury 9pc [illegible]	92[illegible]	−[illegible]	9.76	11.31
96[illegible]	77¼	Exchequer 5pc [illegible]	79[illegible]	−[illegible]	6.31	10.40

Five to Fifteen Years

Over Fifteen Years

Undated

"Tap" Stocks

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

PUBLIC BOARD AND OTHER LOANS

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U.S. $ DM Prices exclude inv. $ premium

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"Recent Issues" and "Rights" Page 15

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £250 per annum for each security.

For Notes, see page 29

BANKS AND HIRE PURCHASE

Hire Purchase etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—Cont.

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS—(Miscell.)

MONEY + EXCHANGES

Slight fall in bill rate

Bank of England Minimum Lending Rate 11½%
(since July 27, 1973)

The Treasury bill rate fell slightly at yesterday's tender, by 0.0442 per cent. to 10.9384 per cent.—and the Bank of England Minimum Lending Rate remained at 11½ per cent. Day-to-day credit was in short supply in the London money market, and the authorities gave a moderate amount of assistance, by buying Treasury bills from banks, and Treasury, bank and local authority bills from the Discount houses. Short-term interest rates again showed no clear new trend, with the three-month sterling certificate yield, for instance, ending at 13 7/16-13¼ per cent., against the previous 13⅜-13¼ per cent. Banks as a whole opened with a surplus on their overnight position, partly, perhaps, because of an excess carried over from the previous day, and partly as a result of revision of target figures. Government disbursements, at the same time, were greater than revenue transfers to the Exchequer, but the market faced a net Treasury bill take-up, there was a pre-week-end rise in the note circulation, the authorities held maturing bank bills, and gilt-edged settlements were again unfavourable to the market (with Thursday's issue of short tap stock continuing to be a factor).

Some uncertainty in the credit position arose from the Bank of England transactions on behalf of customers—although these appeared to balance each other.

The minimum-accepted bid for 91-day bills at the Treasury bill tender rose ½p to £97.28½ (equivalent to a fall of 0.0200 per cent. to 10.9701 per cent. in annual discount terms), recovering the level held two weeks earlier. All bills on offer were of 91-day maturity, and bids at the minimum-accepted were met as to about 11 per cent. of application. Applications were reduced by £143.5m. to £206.4m., with the bills on offer reduced £140m. to £60m. All bills offered were allotted, while next week a further £60m. will be on tender, against equal maturities.

Rates in the table below are largely nominal.

Bank base rates Page 15

Sept. 28 1973	Sterling Certificates of deposits	Inter-bank	Local Authority deposits*	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills ф	Bank bills ф	Fine trade bills ф
Overnight	—	10-12¾	—	—	—	—	9¾-11	—	—	—
2 days notice	—	—	12⅜-12⅞	—	—	—	—	—	—	—
†7 days or 7 days notice	—	12¼-12¾	12¼-12⅞	—	12½	—	10¼-11	—	—	—
One month	13⅛-12¾	13-13¼	12⅝-12¾	13-12	13¼-13⅝	—	10⅞-11½	10½-11¼	12¼-12½	12½-15
Two months	13¼-13⅛	13⅛-13¼	—	13¼-12½	13¼-13⅜	—	11-11½	10⅞-11¼	12¼-12½	12½-15
Three months	13 7/16-13¼	13¼-13⅜	13⅛-13⅝	13⅛-12¾	13⅛-13⅝	—	11-11½	11-11¼	12¼-12½	13½-15
Six months	13⅝-13 7/16	13 7/16-13 9/16	13⅝-13⅜	13 7/16-12¾	13¾	—	—	—	12⅝-14	13½-15
Nine months	13 9/16-13 7/16	13 9/16-13 9/16	—	13⅝-12¾	13¾	—	—	—	—	—
One year	13 9/16-13 7/16	13 9/16-13 9/16	13⅝-13⅜	13⅝-13	13¼-14	—	—	—	—	—
Two years	[illegible]	[illegible]	[illegible]	—	—	—	—	—	—	—

† Local authorities and finance houses seven days' notice, others seven days fixed. * Long-term local authority mortgage rates nominally 13⅝-13 per cent. for three years; 12¼-12½ per cent. for four years; and 12-12½ per cent. for five years. ф Bank bill rates in table are buying rates for prime paper; buying rate for four-month bank bills [illegible] per cent.; four-month trade bills 13½-15 per cent. Approximate selling rate for one-month Treasury bills 10 11/16-10⅜ per cent.; and for three-month 10⅝ per cent. Approximate selling rate for one-month bank bills [illegible] per cent.; for two-month 12-12 5/16 per cent.; and for three-month 12-12 5/16 per cent.; for one-month trade bills 13-13 per cent., and three-month 12⅝-13¼ per cent.

Finance House Base Rate (published by the Finance Houses Association) 12 per cent. [illegible] October 1]. Clearing Bank Deposit Rates for small sums at seven days' notice 9½ per cent. [illegible] 11 per cent.

Treasury Bills: Average tender rate of discount 10.9384 per cent.

Tax Deposit Account: Deposit earned a basic 8.12 per cent. in the April-June quarter if [illegible] and 7.33 per cent. if not; in the July-Sept. quarter interest accrued at a rate of 7.33 per cent. [illegible] the quarter, and if not so withdrawn, at a rate to be fixed at the end of the quarter (by [illegible] for the period); Bonus rate 2.5 per cent.

EXCHANGES AND BULLION

Sterling lost ground against major currencies in general yesterday, with its trade-weighted average depreciation since the Washington Currency Agreement of December, 1971, widening 0.19 per cent. to 19.68 per cent. Good activity was seen in the early part, with concern over the avertion of overseas sterling area balances being maintained in sterling unsettling the market. The pound opened in London at about $2.4175, relatively close to its closing level in New York overnight of $2.4190, but there was a sharp decline, and $2.4030 was touched almost immediately, though there was a recovery to $2.4130 roughly as quickly. In some market quarters it was thought possible that the authorities had intervened on at least a modest scale to support the rate, but it was also thought in places that some operators might have taken the opportunity offered by the sharp fall to buy sterling. In the afternoon, the market was relativel ysteady, with $2.4150-2.4160 being touched, ahead of an inter-bank close of $2.4132-2.4137.

Gold fell $1½ an ounce on balance in London to $99½-100½, in moderate business. The opening quotation was $100¾-101¾, while the morning fixing was at $100.25 (£41.546), and the afternoon at $100.00 (£41.420). New sovereigns ended at $29½-30½; and old at $35½-36½, while double Eagles were at $174-176, single at $86-88, and half at $56-58, with 20-mark pieces at $43-45.

Six-month forward dollar 4.90-4.80 c.pm., and 12-month 9.35-9.20 c.pm.

EXCHANGE CROSS-RATES

Sept. 28	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	2.414-415	16.75-85	6.64-56	5.825-835	95.35-46	79.85 80.0
N. York	41.41-43	—	25.66-67	2.718-721	2.4138-50	39.47-50	33.01-02
Paris (c)	1.6.6 6.2	4.24¼-25¼	—	11.48 : 3	10.25-28	167.60-70	140.70 80
Brussels	15.27¼-18¼	36.80-90	8.62¾-69¼	—	88.02 08	14.54¼-55¼	12.19-20¼
London	5.82¼-83¼	2.413-414	10.23 24	88.55 86	—	6.11-12	7.30-31
Amst'dm	104.82 5.01	2.533-535	69.64-62	6,880-865	6.11¼-11¼	—	83.82-87
Zurich	125 27-31	3.027-030	71.38-47	8.21-25¼	7.304-314	119.23-56	—

U.S. $ in Montreal 1.0052-1.0054. Canadian $ in New York 0.9942-46. U.S. $ in Milan [illegible]

EURO-CURRENCY INTEREST RATES

Long-term certificate rates as follows: two years 9 5/16-9 7/16 per cent.; three years 9½-9½ per cent.; four years 9 5/16-9 5/16 per cent.; and five years 9¼-9½ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 11-10¾ per cent.; three months 10½-10 9/16 per cent.; six months 10 5/16-10½ per cent.; one year 9½-9 9/16 per cent.

ф Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollar and Canadian dollars are two days' notice for guilders, marks and Swiss francs.

FORWARD RATES

	One Month	Three months
Montreal	1.25-1.10 c.pm	3.65-3.45 c.pm
Amst'dam	2-1 c. pm	3 7 c. pm
Brussels	140-100 c. pm	290-250 c.pm
Copenh'n	4 ore pm-1 dis	1-6 ore dis
Frankfurt	5-5 pf pm	13½-12½ pf. pm
Lisbon	75 c. pm-par	220-20 c. pm
Milan	Par-3 lire dis	5-15 lire dis
Oslo	5-3 ore pm	17½-14½ ore pm
Paris	4 c.pm-par	10-5 c. pm
Stockh'lm	7-5 ore pm	20¼-18¼ ore pm
Vienna	20-10 gro. pm	130-60 gro. pm
Zurich	5¼-5¼ c. pm	17½-16½ c. pm

BUILDING SOCIETY RATES

	Dep.	Share Accts.	Sub'pn Shares	Term Shares
...onal	7.25%	7.50%	8.0 %	—
	7.25%	7.50%	—	7.75%
	7.25%	7.50%	8.0 %	7.75%
Bingley	7.25%	7.50%	8.0 %	7.75%
	7.25%	7.60%	7.85%	—
	7.25%	7.5 %	8.75%	8.0 %
	7.25%	7.50%	8.0 %	—
	7.35%	7.77%	—	*8.05%
...ermanent	7.25%	7.5 %	8.0 %	7.75%
	7.25%	7.5 %	8.0 %	7.75%
...lock	7.25%	7.5 %	8.25%	‡8.0 %

* Six months min. ‡ Three years.

LOCAL AUTHORITY DEPOSIT RATES

	Rate	Min. sum	Period years	Rate	Min. sum	Period years
...ounty B.C.	10½%	£500	2-4	—	—	—
Wandsworth	11 %	£500	1-2	10½%	£50	1-2

* Special terms for £25,000 and over.

Report—3-month Call rates

...ALING DATES

	Last Declaration	For Settlement
8	Dec. 21	Jan. 8
22	Jan. 10	Jan. 22
5	Jan. 24	Feb 5

...the Option market quite a good scale. ...ven for the "call" ...h and Henderson, ...and Metropolitan, ..., Amalgamated Investment and Property, House of Fraser, San Paulo Railway, Beeston Boiler, Rockware Group, Charter Consolidated, Raglan Property, Laporte, De Beers, Troydale, Triumph Investment Trust, Associated Fisheries, Lonrho, Inveresk, Shell Transport, Southern Pacific Properties and Catel Trust. Weston Pharmaceuticals were dealt in for the "put," while double options were arranged in Rio Tinto-Zinc, Bovis and Grimshawe Holdings.

Glaxo	50	Slater Walker	12	Mines	
Grand Met.	10	Spillers	6	Anglo Amer.	50
G.U.S. "A"	25	Tesco	6	BrokenHillProp	55
Guardian	29	Thorn 'A'	24	Cast	10
G.K.N.	13	Tube Invest.	30	Charter Cons.	16
Hawker Sidd.	30	Unilever	25	Charterhall Fin	3
I.C.I.	11	Utd Drapery	10	Cons. Gold	20
"Imps"	5½	Vickers	9	De Beers Def.	20
I.C.L.	11	Woolworths	7	F. S. Geduld	150
Inveresk Paper	4			Great Boulder	10
Jessel Sec.	9	Property		Hampson Areas	18

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

	EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri. Sept. 28 Index No.	Day's Change %	Est. Earnings yield % (full)	Gross Div. yield %	Est. P/E Ratio (net)	Est. P/E Ratio (nil)	Thurs. Sept. 27 Index No.	Wed. Sept. 26 Index No.	Tues. Sept. 25 Index No.	Monday Sept. 24 Index No.	Year ago (approx.) Index No.	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (185)	162.26	+0.2	10.64	4.33	13.00	12.99	161.91	161.57	160.24	159.68	165.74	186.03 (17/1)	153.79 (6/9)	206.37 (4/5/72)	82.82 (25/6/62)
2	Building Materials (29)	164.31	+0.3	12.22	4.57	11.21	11.21	163.87	164.06	162.23	161.95	174.13	196.69 (8/1)	157.90 (12/9)	233.84 (2/5/72)	85.01 (25/6/62)
3	Contracting, Construction (22)	288.85	+0.4	10.97	2.86	12.86	12.82	287.71	278.50	276.83	275.19	323.22	348.47 (17/1)	263.95 (5/5)	389.33 (19/5/72)	84.39 (27/6/66)
4	Electricals (17)	284.95	+0.1	10.23	3.61	13.36	13.36	284.71	286.28	283.79	282.75	257.63	307.90 (9/1)	258.46 (4/9)	359.04 (4/5/72)	84.71 (25/6/62)
5	Engineering (Heavy) (15)	177.86	+0.5	11.50	4.36	11.48	11.48	176.93	176.85	177.34	176.52	153.19	202.57 (8/8)	163.41 (5/3)	202.57 (8/6/73)	151.45 (28/9/72)
6	Engineering (General) (65)	134.32	+0.2	10.40	5.27	13.42	13.43	134.05	134.15	133.17	132.76	141.40	158.64 (2/1)	128.16 (11/6)	168.59 (4/6/72)	128.16 (11/6/73)
7	Machine and Other Tools (13)	58.24	—	4.87	6.73	35.83	32.92	58.22	58.00	57.88	57.68	56.32	67.88 (8/8)	56.15 (5/9)	136.70 (4/7/66)	43.86 (5/3/71)
8	Miscellaneous (24)	148.14	+0.2	9.31	4.19	16.04	15.01	147.83	147.10	145.32	144.66	150.78	173.76 (11/1)	141.59 (12/9)	177.41 (27/4/72)	69.01 (8/11/65)
9	CONSUMER GOODS (DURABLE) (59)	170.59	—0.1	11.30	3.62	12.28	12.25	170.75	170.46	168.65	168.18	189.59	210.88 (11/1)	163.78 (6/9)	227.78 (21/4/72)	79.16 (25/6/62)
10	Lt. Electronics, Radio TV (14)	206.91	+0.2	8.79	2.18	15.85	15.77	206.58	206.24	203.49	202.23	219.24	251.93 (11/1)	187.21 (11/5)	257.41 (19/5/72)	71.10 (16/1/66)
11	Household Goods (16)	205.42	+0.3	13.86	4.04	9.96	9.90	205.72	205.52	204.86	204.38	219.24	237.99 (2/1)	198.60 (6/9)	253.22 (4/5/72)	86.65 (28/6/62)
12	Motors and Distributors (29)	94.15	—0.5	14.06	5.65	9.85	9.85	94.76	94.60	93.67	93.87	114.04	122.75 (17/1)	93.52 (6/9)	170.59 (15/1/69)	75.92 (24/10/68)
13	CONSUMER GOODS (NON-DURABLE) (176)	171.75	+0.1	9.94	4.25	13.87	13.75	171.63	171.41	170.37	170.14	197.25	212.13 (2/1)	163.43 (5/9)	226.08 (16/8/72)	83.71 (8/11/66)
14	Breweries (16)	199.46	+1.2	9.95	4.38	14.36	14.36	197.16	197.99	196.02	196.64	245.86	265.23 (2/1)	187.61 (27/7)	261.87 (28/11/72)	80.30 (30/6/66)
15	Wines and Spirits (8)	198.12	+0.4	9.26	4.26	15.25	15.25	197.28	197.28	195.18	194.12	208.32	216.12 (17/1)	174.44 (11/7)	257.40 (13/7/72)	118.78 (15/6/70)
16	Entertainment, Catering (16)	226.18	—0.1	10.28	4.81	13.29	13.27	226.50	225.74	222.18	220.80	274.39	323.23 (19/7)	204.05 (6/9)	329.99 (12/12/72)	30.11 (23/7/62)
17	Food Manufacturing (24)	150.98	—0.6	11.14	4.40	12.31	12.31	151.83	161.61	151.30	150.59	174.59	187.87 (2/1)	146.91 (6/9)	211.65 (1/6/72)	95.98 (15/6/70)
18	Food Retailing (18)	157.25	—	8.55	5.07	16.94	16.94	157.28	157.25	157.07	157.40	196.31	217.48 (2/1)	151.08 (27/7)	235.08 (15/8/72)	94.52 (25/5/70)
19	Newspapers, Publishing (16)	218.64	—0.7	11.67	4.01	12.16	12.16	220.09	220.26	220.11	220.84	228.63	260.29 (18/1)	216.08 (12/9)	260.29 (18/1/73)	81.74 (5/5/62)
20	Packaging and Paper (15)	102.65	+1.0	11.02	5.30	12.42	12.40	101.57	101.29	100.95	101.05	114.93	126.47 (2/1)	95.32 (12/9)	138.69 (28/4/72)	87.91 (25/6/62)
21	Stores (28)	158.73	—0.4	8.52	3.48	17.17	17.16	159.31	158.79	157.83	157.59	177.47	186.50 (2/1)	148.34 (9/3)	204.39 (16/6/72)	72.74 (8/11/66)
22	Textiles (20)	172.80	+0.6	13.18	5.34	8.94	8.34	171.73	169.94	168.10	168.13	201.57	213.80 (2/1)	161.86 (6/9)	253.72 (17/9/68)	89.90 (20/7/62)
23	Tobacco (3)	241.54	+0.9	11.68	6.51	11.90	11.86	239.50	241.40	241.81	241.83	267.33	289.66 (2/1)	236.48 (6/9)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	70.16	+0.9	11.14	3.14	12.53	12.53	69.52	68.28	67.86	67.30	64.31	80.79 (15/1)	61.76 (24/8)	135.72 (16/1/70)	44.90 (9/8/71)
	OTHER GROUPS															
25	Chemicals (22)	161.52	+0.5	8.22	4.49	16.46	16.45	160.99	161.02	159.48	159.02	178.64	191.47 (17/1)	155.24 (4/9)	201.92 (31/1/69)	93.29 (25/6/62)
26	Office Equipment (10)	190.42	—0.1	5.57	2.23	24.57	24.57	190.57	190.48	185.49	184.96	209.36	227.52 (9/1)	163.93 (31/5)	246.06 (1/9/72)	109.12 (26/5/70)
27	Shipping (10)	493.13	+1.0	7.71	3.56	15.42	13.86	488.39	486.97	481.94	478.23	464.65	515.97 (19/1)	420.07 (6/9)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (41)	198.48	+0.1	9.77	3.90	14.59	14.38	198.29	198.25	196.54	196.63	223.18	252.39 (17/1)	188.32 (6/9)	259.83 (2/5/72)	76.52 (6/11/66)
29	INDUSTRIAL GROUP (497)	173.44	+0.1	9.80	4.12	14.05	13.93	173.20	172.97	171.53	171.16	191.16	207.00 (2/1)	164.57 (5/9)	220.17 (1/5/72)	120.61 (2/3/71)
30	Oil (3)	265.41	—0.7	5.68	4.64	23.35	17.63	267.38	269.65	268.80	268.39	288.82	328.39 (15/1)	264.25 (4/9)	431.66 (29/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	181.49	—	9.31	4.19	14.73	14.29	181.43	181.40	180.01	179.65	199.66	217.40 (10/1)	173.51 (6/9)	227.95 (16/8/72)	84.66 (26/6/62)
32	FINANCIAL GROUP (101)	186.72	+0.3	—	3.28	—	—	186.24	184.16	181.39	180.36	201.22	230.42 (9/1)	173.05 (6/9)	241.41 (21/4/72)	69.83 (30/8/66)
33	Banks (6)	202.97	+0.2	13.22	5.10	10.69	10.69	202.63	199.10	193.90	190.50	251.62	269.62 (9/1)	189.81 (6/9)	288.32 (20/7/71)	69.25 (16/6/64)
34	Discount Houses (8)	178.17	+1.4	—	6.58	—	—	175.67	175.21	172.69	168.04	226.13	258.57 (23/6)	167.32 (7/8)	293.13 (2/5/72)	87.65 (18/6/69)
35	Hire Purchase (5)	313.56	+0.2	10.92	4.02	13.01	13.01	312.99	313.54	306.08	305.03	351.71	374.92 (9/1)	288.83 (7/9)	433.72 (4/5/72)	80.02 (3/8/65)
36	Insurance (Life) (9)	146.74	+0.3	—	3.68	—	—	146.25	146.21	141.92	140.11	168.29	186.26 (8/1)	128.52 (6/9)	194.46 (15/3/72)	61.35 (30/6/66)
37	Insurance (Composite) (8)	115.38	+0.1	—	4.42	—	—	115.30	115.67	112.27	111.72	129.81	141.37 (9/1)	102.16 (6/9)	155.76 (21/4/72)	54.40 (16/3/63)
38	Insurance (Brokers) (8)	207.76	+0.8	7.66	3.54	18.46	18.46	206.06	204.70	205.82	205.82	215.08	249.06 (2/1)	190.98 (22/8)	262.37 (12/12/72)	82.59 (24/7/69)
39	Merchant Banks (18)	193.77	+0.7	—	2.85	—	—	192.47	192.67	191.68	192.99	203.47	263.12 (9/1)	184.86 (6/9)	278.57 (1/5/72)	50.47 (16/7/68)
40	Property (29)	291.19	+0.1	3.54	2.12	38.02	37.33	290.85	288.92	284.14	285.26	266.43	310.44 (2/1)	222.53 (2/3)	324.22 (28/4/72)	56.01 (20/4/65)
41	Miscellaneous (10)	189.79	+0.4	10.17	4.60	15.95	13.95	188.95	188.31	187.88	187.62	220.89	281.14 (17/1)	174.94 (6/9)	303.13 (18/5/72)	120.05 (31/12/70)
42	Investment Trust Group (50)	182.49	+0.2	3.14	3.16	31.96	31.83	182.11	181.17	179.58	177.73	205.95	226.13 (18/1)	171.91 (12/9)	245.79 (25/4/72)	80.24 (26/6/62)
43	ALL-SHARE INDEX (651)	181.43	+0.1	—	3.93	—	—	181.26	180.75	179.06	178.47	199.00	219.02 (10/1)	172.39 (6/9)	228.18 (1/5/72)	85.72 (26/6/62)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	439.31	—0.5	4.85	4.53	26.88	21.82	441.45	446.04	404.48	441.85	288.86	555.37 (23/7)	415.62 (22/1)	555.37 (23/7/73)	84.68 (26/8/65)
45	Teas (10)	104.16	+1.4	3.14	8.44	49.32	37.19	102.71	102.71	102.71	103.61	96.42	120.92 (18/1)	102.71 (25/9)	121.47 (1/6/72)	69.96 (14/11/66)
46	Coppers (4)	360.97	—0.5	27.44	11.15	3.64	3.64	362.92	361.60	373.27	380.87	402.01	567.78 (13/7)	350.66 (5/9)	567.78 (13/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	101.76	—0.3	5.64	3.02	19.05	16.88	102.07	102.38	101.50	101.41	116.68	127.69 (26/7)	99.59 (12/9)	175.90 (28/4/69)	70.93 (2/11/71)
48	Tins (8)	91.91	+0.2	7.74	6.97	17.37	13.65	91.69	91.24	91.15	91.15	93.99	125.34 (12/1)	85.67 (12/9)	125.34 (12/1/73)	54.65 (27/6/71)

	FIXED INTEREST	Friday, Sept. 28 Index No.	Yield %	Thurs. Sept. 27	Wed. Sept. 26	Tuesday Sept. 25	Monday Sept. 24	Friday Sept. 21	Thurs. Sept. 20	Wed. Sept. 19	Year ago (approx.)	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	11.40	11.40	11.40	11.39	11.52	11.58	11.57	11.57	9.46	—	—	—	—
2	20-yr. Govt. Stocks (8)	62.04	‡10.61	61.99	62.01	62.05	61.55	61.47	61.49	61.51	75.36	74.22 (23/1)	61.00 (13/9)	115.42 (11/9/63)	61.00 (13/9/73)
3	20-yr. Red. Deb. & Loans (15)	60.56	‡12.26	60.53	60.53	60.53	60.45	60.43	60.45	60.47	71.51	72.05 (22/2)	60.34 (17/9)	113.45 (23/10/63)	60.34 (17/9/73)
4	Investment Trusts Prefs. (15)	54.01	12.28	54.01	54.01	53.74	53.74	53.74	53.74	53.23	72.51	69.76 (15/1)	52.81 (11/9)	114.41 (13/9/63)	52.81 (11/9/73)
5	Coml. and Indl. Prefs. (20)	68.61	11.36	68.49	68.36	68.01	67.49	67.49	67.49	67.45	78.24	77.38 (3/1)	66.90 (17/9)	114.41 (7/10/65)	66.90 (17/9/73)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Engineering (Heavy)	31/12/71	153.84	Toys and Games	16/1/70	135.72
Engineering (General)	31/12/71	153.84	Office Equipment	16/1/70	162.74
Food Manufacturing	29/12/67	114.13	Industrial Group	31/12/70	120.86
Food Retailing	29/12/67	114.13	Miscellaneous Financial	31/12/70	120.86
Insurance Brokers	29/12/67	96.67	All Other	10/4/62	100.00
Mining Finance	29/12/67	100.00			
Wines and Spirits	16/1/70	144.76			

‡ Redemption yield. F.T.-Actuaries indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the F.T.-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 15p, Commonwealth 18p. Foreign 22p.

ACTIVE STOCKS

ON THE WEEK—

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on week	1973 high	1973 low
De Vere Hotels	25p	63	206	+18	211	164
ICI	£1	61	240	− 2	294	235
Tunnel Cmnt. 'B'	50p	50	198	+ 2	240	175
Rank Org. 'A'	25p	48	455	+30	558	368
Lonrho	25p	46	89	+ 9	132	54
RTZ	25p	45	216	− 2	270	200
Shell Transport	25p	44	271	− 2	363	271
BP	£1	42	506	− 6	600	494
Barclays Bank	£1	41	355	+23	468	332
Boots	25p	41	288	+10	310	225
Cornwall Prop.	5p	40	108	+ 4	112½	68
Fisons	£1	40	366	+35	485	330
GEC	25p	40	149	+ 3	154	127
"BATS"	25p	39	268	+ 5	303	231
Marks & Spencer	25p	39	269	− 1	289	246

YESTERDAY—

Prices in pence except wher otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1973 high	1973 low
Lonrho	25p	16	89	+ 5	132	54
De Vere Hotels	25p	14	206	—	211	164
Charter Cons.	25p	11	171	+ 6	273	155
"BATS"	25p	10	268	+ 6	303	231
ICI	£1	10	240	− 1	294	235
Tunnel Cmnt. 'B'	50p	10	198	− 5	240	175
Glaxo	50p	9	372	+ 8	464	336
De Beers Defd.	R0.05	8	340	− 2	412	330
Euro. Ferries	25p	8	145½	+ 1½	195	133
Fisons	£1	8	368	+ 5	485	330
Laporte Inds.	50p	8	111	+ 7	111	85
Natl. Westminster	£1	8	355	+ 1	473	325
RTZ	25p	8	216	− 2	270	200
Unilever	25p	8	333	− 3	395	323
Williams Hudsons	20p	8	184½	− 1½	212	91

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

SHARE INFORMATION SERVICE: NOTES

INSURANCE, PROPERTY, BONDS

REGIONAL MARKETS

NORTHERN EXCHANGE

SCOTTISH EXCHANGE


Britax
Cargo Handling
Lift-Tie down-Secure

THE LEX COLUMN

Index rose 1.0 to 429.4

Probabilities *versus* extremes

There is no reason to expect strength in equities ahead of the green paper on Phase Three: a hard line on prices seems a political probability. Equally there was no reason to expect the strength in equities of the past four weeks: it is true that a focus point event like the green paper is the kind that invariably provokes short closing, and there was every reason to suspect a heavy short interest in the market a month ago (February 1971 provides a memorable parallel). But the past four weeks have witnessed a change of sentiment clear to one and all. The diagnosis is that investors are not semi-consciously waiting for the green paper to sell shares, irrespective of contents (parallel January 1973). They might be waiting to buy.

The rationale for liquidity now, for those who believe in precedent, is simple. How, they reason, can you have a bull market when corporate profits have just been rising at peak rates? The answer to that is that you are highly unlikely to, though the latest 12 per cent. rise *in the Dow Jones Index is* a reminder that anything is possible in supply and demand markets. There is equally a possibility of significantly lower share prices if the economy should prove to be unmanageable. In short, the fund manager has every apparent reason to feel unhurried.

Two thoughts might be pondered. First, there was no apparent reason to hurry to buy such high grade issues as Eagle Star, SWS, UDT, and Plessey: they are all 15 to 20 per cent. off their lows. Second, how do the odds lie for the *investor* who buys now and does not sell until the next time he reads the words bull market in a newspaper headline?

SIH

Shipping Industrial Holdings is a bit too eager to be a convincing rape victim. With secondhand ship values going through the roof, it is raising the bid stakes with its estimate of a gross asset value for the fleet of more than three times the £41m. book value. That puts *the tangible net worth of the* group up to over £100m., or around 650p a share against 453p in the market yesterday. Nobody is going to be very keen to pay right up to inflated current vales for such a fleet, particularly as most of the tonnage is committed to the Seabridge consortium for the time being. Even so, SIH looks to have created a little more room for the market to play in.

As for profits, SIH has produced £3.07m. pre-tax for the first six months, a 30 per cent. improvement after stripping Clarksons out of last year's figures. Shipbroking has been the star division, feasting upon soaring freight rates (which boost commissions) and a healthy increase in the number of transactions. The pace here has accelerated in the current half. Growth in shipowning has been held back by those Seabridge commitments, but the full year will be usefully ahead, as it will in insurance broking and the freight movement division. That leaves insurance *underwriting as the one dull* area, depressed by heavy claims on North American casualty business.

For the year as a whole targets must run above £7m., but at this stage all eyes are on the warehousers and not on a pre-tax multiple of 10 or so.

See also Page 15

Ward Tunnel

So after tidying up its cement interests, with the acquisition of the Ketton minority, Thomas W. Ward is proposing to untidy them again; it is taking the 26.6 per cent. of Tunnel Cement owned by F. L. Smidth for £8.3m. In theory, it would have been easy to get the lot since the shares concerned controlled 40 per cent. of the voting rights—indeed, Ward only avoids the necessity to make a full-scale bid by agreeing with the Take-over Panel to reduce those voting rights below the 30 per cent. mark. But it is worth noting that Ward is already paying £5m. in instalments—only £3.3m. immediately—which suggests that what had to be a cash deal would have been far less attractive if Ward had had to offer the same currency to the other three-quarters of the shares.

In short term analytical terms the deal seems to stand up on its own since it adds 10 per cent. to the forecast earnings of Ward which work out at 9.2p a share before, and thus 10.1p afterwards. The market had obvious reservations about earnings quality, marking Ward down 2p to 75p last night; but if the Tunnel stake is viewed as an option to become much bigger in the cement industry for Ward, if conditions make that necessary some time in the future, the way Ward has bought the Smidth holding seems to be a relatively inexpensive way of going about it.

Laporte

The near trebling of first half profits from Laporte—up from £1.1m. to £3m., on sales a little more than a quarter better—is due in no small way to an improved performance from the previously troublesome chloride-route titanium dioxide plant. The reasons for this are three-fold: increased volume, greater efficiency and "very substantially" improved export prices. The break-even point is expected to be passed by the end of the year.

This does not in any way detract from the performance of the remainder of the group. The older (sulphate) titanium dioxide plant—already, of course, profitable—has enjoyed the same price advantages, while phthalic anhydride and the joint peroxygen venture with Solvay (associates companies profits up 17 per cent.) have also come up trumps. The whole package was received with some enthusiasm by the market, which put the shares 7p better at 111p, and with analysts having no hesitation in projecting a minimum of £6m. for the year a maximum multiple of 11.7 is asking very little.

See also Page 14

Capital Choice
£93m
LEEDS & HOLBECK
BUILDING SOCIETY
Head Office: HOLBECK HOUS
105, ALBION ST. LEEDS LS1 5

Weather

U.K. TO-DAY

SHOWERS, prolonged and in places, and sunny inter

London, E. S.E., S.W., Cen S. and Cent. N. England, Ch Is., E. Anglia, Midlands, S.

Sunny periods, showers. Wind W, strong, 15-16C (59-61F).

N. Wales, N.W. England, I. of Man, S.W. Scotland, N. Ireland

Showers, heavy at times, intervals. Wind W strong or gale. Max. 13C

N.E. England, Borders, burgh and E. Scotland, Gl

Showers, sunny inte Wind W. to NW. strong 14C (57F).

Aberdeen. Cent. Highla Moray Firth. N.W. Scotl

Showers of rain, some spells. Wind NW. strong to Max. 11-12C (52-54F).

Caithness. Orkney, Shetl

Cloudy. showers or rain. N. strong to gale. Max (50F).

Outlook: Little change.

Lighting-up: London Manchester 19.22, Glasgow Belfast 19.37.

BUSINESS CENTRES

		Y'day Mid-day °C	°F		
Alexandria	F	30	86	Luxembourg	C
Amstrdm	F	16	61	Madrid	S
Athens	F	25	77	Manchstr	C
Bahrain	S	35	95	Melbourne	S
Beirut	S	31	88	Milan	S
Belfast	F	11	52	Montreal	S
Belgrade	C	11	52	Moscow	C
Berlin	C	16	61	Munich	S
B'mghm	C	13	55	Newcastle	F
Bristol	C	15	59	New York	S
Brussels	C	15	59	Oslo	R
Budapest	C	13	55	Paris	R
B. Aires	C	11	51	Prague	F
Cairo	S	38	100	Reykjavik	F
Cardiff	F	14	57	Rio de J'o	C
Cologne	C	15	59	Rome	S
Copnhagn	R	12	54	Singapore	C
Dublin	R	12	54	Stockholm	C
Edinb'rgh	F	11	52	Strasbourg	F
Frankfurt	C	17	63	Sydney	S
Geneva	C	17	63	Tehran	S
Glasgow	R	10	50	Tel Aviv	S
Helsinki	C	7	45	Tokyo	S
H. Kong	C	25	77	Toronto	S
Jo'burg	C	14	57	Vienna	S
Lisbon	F	27	81	Warsaw	C
London	C	15	59	Zurich	C

HOLIDAY RESORTS

Ajaccio	S	23	73	Jersey	C
Algiers	F	25	77	Las Palms	S
Barcelona	S	23	73	Locarno	F
Biarritz	S	21	70	Luxor	S
Blackpool	C	13	55	Majorca	S
Bordeaux	F	20	68	Malaga	S
Boulogne	F	16	61	Malta	F
Casablnca	F	23	73	Nairobi	S
Cape Tn	S	18	64	Naples	F
Corfu	T	22	72	Nassau	S
Dubrovnik	C	24	75	Nice	S
Faro	S	26	79	Nicosia	S
Florence	S	22	72	Oporto	S
Funchal	F	24	75	Rhodes	S
Gibraltar	S	22	72	Salzburg	S
Guernsey	C	15	59	Tangier	S
Innsbruck	F	15	59	Tenerife	S
Inverness	F	18	64	Tunis	F
I. of Man	F	12	54	Valencia	S
Istanbul	S	23	73	Venice	S

S—Sunny. F—Fair. C—Cloudy. R- T—Thunderstorm.

MAN OF THE WEEK

He sees things clearly

BY JAMES ENSOR

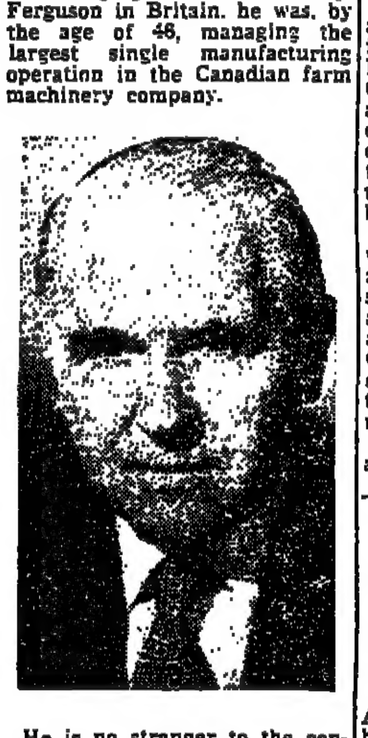
FOR MR. GILBERT HUNT it has not been a happy week. As the chairman and chief executive of Chrysler U.K., an Englishman running an American controlled company, he has been put into the position of having to threaten to run down the organisation which he had so carefully built up over the past six years.

Mr. Hunt does not fit the stereotype of the tough, American-trained mogul, who builds up and destroys plants or livelihoods as if they were so many blocks in a game of "Monopoly." By nature, he is a humane man who certainly feels very genuine distress at the situation with which he is faced.

Analytical

He has always had a talent for seeing things clearly and for facing reality. His speeches on behalf of the whole British motor industry have often been a model of concise analysis, which is perhaps one of the reasons why the industry did him the unusual honour of asking to serve a second term as president of its trade association.

Although he spent his early business career as an engineer and executive in the British aircraft industry, Mr. Hunt has spent the last 13 years running the British subsidiaries of North American automotive companies. As managing director of Massey-Ferguson in Britain, he was, by the age of 46, managing the largest single manufacturing operation in the Canadian farm machinery company.



He is no stranger to the confused world of Coventry labour practices or to the exigencies of motor industry production where disputes by a small group of militant workers can bring a whole plant to a standstill. Massey-Ferguson's labour relations have, however, been traditionally among the best in the Coventry area, and it seems doubtful that he can have imagined what would be in store for him at Chrysler.

Mr. Hunt, to-day, admits that many of his friends argued against taking the job. "One or two people said I was mad when I came," he reflects wryly.

High spots

He clearly enjoyed the challenge of rebuilding Rootes, later renamed Chrysler U.K., into a viable and competitive company in the European market. The high spots of his recent career, such as the launch of the Avenger and its subsequent success, clearly brought him pleasure. But in recent weeks, too much of his time has had to be devoted to the demoralising task of fighting the unions and shop stewards.

The irony of the situation is that, this year, for the first time, Chrysler was able to produce good profits. In Detroit, men are judged by the profit they produce, and Chrysler U.K. was making the grade in the first half of this year. Now, of course, that has been washed away.

Mr. Hunt, is a man who clearly likes his role as a spokesman for Britain and a servant of the British economy. As well as the presidency of the Society of Motor Manufacturers and Traders, he will lead a trade mission to China in November and is chairman of the Government Committee for Industrial Technologies. To find himself in the situation where he is forced to choose between defying government policy and running down his company is therefore a particularly bitter experience.

As he says. "We would be the first major company which breaks the Pay Code—what does that do to your standing." But as he says, with obviously genuine emotion, "I am distressed for my people. I have had very upsetting letters from the shop-floor—some of them containing a real cri-de-coeur." For *him*, that is obviously the saddest part of a very sad business.

Half-day strike on Monday by P.O. white collar staff

BY NOEL HOWELL, LABOUR REPORTER

DETAILS OF a half-day strike on Monday involving up to 70,000 white collar staff in the Post Office in protest at the Pay Board's recent report on pay anomalies were revealed yesterday.

Leaders of the four white-collar unions involved claim the stoppage will "severely disrupt" some P.O. services but the main postal union, the Union of Post Office Workers, has decided against joining the strike.

The UPW executive decided against action after receiving an invitation from the Prime Minister for representatives of seven P.O. unions to go to Downing Street for talks next Wednesday.

The seven unions—representing almost 300,000 workers and including virtually all the major P.O. unions apart from the Post Office Engineering Union—are annoyed that the Pay Board's criteria for pay anomalies to be corrected in Phase Three miss them out. They will be pressing the Prime Minister next week to broaden the criteria.

The militancy among the white-collar grades is partly attributable to the fact that they share virtually identical grading and roughly the same pay level as civil servants. But while the Civil Service has been singled out by the Board for special treatment the P.O. workers have not.

Ironically, the strike will begin at noon and continue until midnight on Monday's fourth anniversary of the hiving-off of the P.O. from the Civil Service.

Computer centres are likely to be hardest hit by the action, particularly GIRO at Bootle and a cargo-handling computer at London Heathrow airport.

Postal and telephone supervisors will also join the strike, which will be accompanied by a number of regional rallies, but the P.O. yesterday would not predict what effect the stoppage would have.

Normal working

Because of the UPW decision postmen, sorters and telephonists should be working normally.

The unions backing the strike are the Civil and Public Services Association, the Society of Civil Servants, the Post Office Management Staffs Association and the Telephone Contract Officers Association. The invitation from the Prime Minister came too late for them to consider calling off the action.

"If we don't persuade the Government to amend the Pay Board's report there is likely to be further action," warned Mr. Alistair Graham, P.O. national officer of the CPSA.

If further action is adopted this would almost certainly involve selective strikes and a small number of key staff, probably at computer centres.

Meanwhile, in a rare move the entire 23-member executive of the Society of Civil Servants executive has been to see the Civil Service Department to press for early negotiations on the pay anomaly increase for 400,000 civil servants.

The Civil Service Department has conceded that preliminary talks may start once the Government's Green Paper on Phase Three is published—possibly next week—but hard negotiations over cash may have to await the final shaping of Phase Three legislation late in October.

● There was no yawning chasm between the Government, the TUC and the CBI as the final round of talks on Phase Three of the counter-inflation policy began. Mr. Maurice Macmillan, Secretary for Employment, said in London yesterday.

"Just as we have made real genuine progress in Stage Two, however much of this progress may be hidden, so, I believe, have we deepened our understanding as a nation of what we are trying to do," said Mr. Macmillan.

"In seeking the answer for the next stage of the policy we shall be motivated by the desire to be fair to all concerned and to allow as much scope for the exercise or traditional roles as is consistent with holding down prices. This is a matter of *delicate judgment.*

"When decisions are finally taken I believe the outcome will be seen to be fair and to be realistically flexible."

Finance House base rate 14%

By William Keegan, Economics Correspondent

FINANCE HOUSE base rates for certain long-term commercial and industrial loans will rise by 2 per cent. to a record 14 per cent. from Monday, the Finance Houses Association stated yesterday.

Following a slight fall in the average Treasury Bill Rate at yesterday's weekly tender, however, the Bank of England Minimum Lending Rate—successor to Bank Rate—is unchanged at 11½ per cent.

The FHA base rate is geared automatically to the average cost of money in the three-month inter-bank market.

Although rates have eased a little recently, the weekly average in the last two months has been as high as 14$\frac{7}{16}$ per cent., and the FHA move reflects this.

The change by the FHA does not affect finance house consumer lending, which is at fixed rates. Many loans, however, to industry and commerce for industrial investment and stocks (particularly car showroom stocks) are on a variable rate basis, and interest rates on these will go up.

The move means that the base lending rate for such loans will have gone up from 9 per cent. to 14 per cent. in just over a month.

Decline

Yesterday's announcement of an unchanged Minimum Lending Rate came after it was learned that the average discount rate on Treasury bills at the tender declined from 10.9826 per cent. a wek ago to 10.9384 per cent.

The recent easing of short-term rates, and this week's reduction in some U.S. rates, have given rise to suggestions that U.K. clearing bank base rate may come down from its current 11 per cent.

An important part of the background to base-rate trends, however, is how the VAT payments now being made by manufacturing companies will affect overall bank liquidity.

Agnew fights on and still will not resign

BY ADRIAN DICKS WASHINGTON, Sept. 28.

LAWYERS FOR Vice-President Agnew to-day filed a motion in the U.S. District Court in Baltimore seeking to stop the grand jury investigation that began yesterday into his connections with alleged bribery and corruption in Maryland politics while he was governor of the state.

The suit had been expected for several days and argued that as long as he is in office, the Vice-President is constitutionally immune from criminal proceedings. "The nation must not be deprived of his services while he defends himself against an indictment voted by perhaps 12 or 23 jurors or an information filed at the whim of a prosecutor," the Vice-President's lawyers argued.

They claimed that this constitutional position did not put Mr. Agnew beyond the reach of the law but that he must be free to perform it without "disablement by criminal prosecution" unless removed by impeachment, resignation, or the expiry of his term.

Mr. Agnew has also made it clear he will not resign, but will continue to fight his case and to try to persuade the *House of* Representatives to set up a committee of inquiry to hear the charges against him in public.

'Interview'

His position was described this morning in the New York Times by Mr. James Reston, the highly-respected Washington columnist, and is clearly based on an interview with the beleaguered Vice-President.

Although Mr. Agnew held a Press conference shortly after it was first revealed he was under Federal investigation, and has released short formal statements since then, this is the first time he has expanded at any length on his unprecedented situation.

According to Mr. Reston, the Vice-President feels he has been turned by the Justice Department into a scapegoat for the public criticism it has suffered for its early handling of the Watergate affair and other failures.

Mr. Agnew, although he expressed faith last month in the ability of the Criminal Justice system to affirm his innocence, has apparently become extremely angry about the way in which the system is being interpreted by the two men in charge of his case, Mr. George Beall, U.S. Federal Prosecutor in Baltimore, and Mr. Henry Petersen, Assistant Attorney-General in charge of criminal investigations.

It was Mr. Petersen who was quoted last week as telling a reporter privately that "we've got the evidence. We've got it cold," against Mr. Agnew.

As a result of these and other "leaks," Mr. Agnew decided to make his appeal to the House, only to see it brusquely turned down by Mr. Carl Albert, the Speaker.

Mr. Agnew does not, apparently, regard this rejection as final—indeed, a group of Republican Congressmen has already tried to relaunch the request in the House Judiciary Committee.

The Vice-President also insists that he has no criticism to make of President Nixon's attitude towards his case, in spite of what appeared to be a campaign mounted by the White House last week to force him out of office. Mr. Agnew says he is inclined to blame members of Mr. Nixon's staff.

Hamburg bran for Hill Samu

HILL SAMUEL, mer bankers, will open a bran Hamburg on Monday whic part of a full banking servic concentrate on the financi overseas trade with Germar The branch will deal in mentary and letter of credit ness and arrange Eurocur loans, shipping finance foreign exchange services.

Call for fewer building societies

BY JOE RENNISON

A SUGGESTION that more building societies should merge came yesterday from Mr. Keith Brading, the Chief Registrar of Friendly Societies.

The registrar, who has overall control of the conduct of building societies, told the Midland Association of Building Societies at Stratford-on-Avon that there could be many advantages in an accelerated rate of mergers. That would produce greater efficiency in the movement and less proliferation of offices.

Of the 450 societies in Britain, he said, about 50 did practically no business at all and 300 of the remaining 400 were essentially local. Many others were purely regional.

He questioned whether the regional society had a particular role of its own or was in the process of growing to national stature. If the latter was true, just how many societies did Britain need, 50 or 5? he asked.

Mr. Brading said there were three reasons for merging:

1—Increased efficiency and economy of management;

2—A broader base for business, serving to strengthen security and improve the spread and quality of the service provided.

3—The scope which a larger organisation offered for better staff opportunities.

The number of branches in the last few years had increased by more than 50 per cent. to over 2,500. "To the average man in the High Street the growing number of branches will serve as a constant reminder that there are a great number of societies all of whose shop windows offer him wares which—give or take a slogan here or there—are not very readily distinguishable," claimed Mr. Brading.

He emphasised that the Chief Registrar, under the Building Societies Act, could ease the passage of mergers much more easily now than before.

Mr. Brading's comments must be seen in the light of an already long history of mergers. At the turn of the century there were more than 2,300 societies. By 1930 th enumber had dwindled to 1,300, and by 1940 to less than 1,000.

The trend would inevitably continue, as witnessed by the recent decision of the Leicester Permanent and the Leicester Temperance, two of the top 20 in terms of assets, to merge.

Out of all mortgage business done by the societies, 98 per cent. was negotiated through members of the Building Societies Association. Yet the Association took in only 282 societies out of the total of 450. Of all business, 69 per cent. was done by the top 12 members of the Association.

A spokesman for the Association said it would encourage the trend, but it must be understood that mergers for the sake of mergers were quite a different matter. Savings affected by mergers would certainly not be sufficient to have any effect at all on the interest rate paid to investors and borrowers. Nor did a merger necessarily lead to increased efficiency.

Mr. Andrew Breach, chairman of the Bristol and West Society, commented that there was a strong case for some mergers. The movement could certainly do without the 50 referred to by Mr. Brading, which did practically no business. But it was a question of how much competition the country wanted or needed over mortgage finance.

LARGE AND SMALL
Assets of the five largest and four smallest Building Societies Association members

	£
Halifax	2,398m.
Abbey National	1,859m.
Nationwide	923m.
Leeds Permanent	669m.
Woolwich Equitable	668m.
Hetton-le-Hole and Easington Lane Permanent	£213,000
Huntley	£206,000
City of Durham	£154,000
South Manchester	£153,000

Monetary reform 'depends on stronger U.S. dollar'

BY PAUL LEWIS NAIROBI, Sept. 28.

A SUCCESSFUL reform of the international monetary system now depends on a stronger U.S. dollar, Dr. Johannes Witteveen, the new managing director of the International Monetary Fund, made clear to-day.

He told a Press conference at the end of this year's annual meeting of Fund and World Bank governors that he remained convinced the ministers of the Committee of Twenty would succeed in meeting their July 31 deadline next year for agreeing a net set of rules.

Although he agreed that the U.S. appeared unwilling to accept any settlement until the dollar was stronger again, Dr. Witteveen pointed out that the U.S. Secretary of the Treasury was now predicting the balance of payments would be back in equilibrium next year.

Even if that forecast proved optimistic, he suggested agreement might still prove possible on the basis of a clearly improving trend.

The U.S. is also hopeful the deadline can be met. But in private it is saying the first priority must be to ensure the monetary system is not undermined again by the reappearance of its deficit. It is still standing by the original demands for tighter adjustment procedures that the Common Market wants, coupled with a more flexible approach to convertibility.

While the gap is narrowest on the adjustment question, the U.S. is clearly unwilling to make the dollar convertible again until it is convinced the rest of the world will allow it to keep its accounts in equilibrium.

Whether this will delay the implementation of any agreement made next year remains a matter of speculation for the moment. But a stronger dollar can only help the U.S. in its efforts to preserve more of an international role for its currency than the Common Market's approach to reform envisages.

ICI inquiries into tower crash

FINANCIAL TIMES REPORTER AYR, Sept. 28.

INQUIRIES BEGAN at Imperial Chemical Industries' nylon plant at Ardeer, Ayrshire, to-day following the collapse of its 375 feet cooling tower in last night's gales. Meanwhile the factory, employing 900 people, has been shut.

One team was trying to find the cause of the collapse, another was tackling the more urgent task of finding alternative cooling methods for the 3.5m. gallons of water a day used in the production of nylon 66 salt.

Following meetings to-day between mangement and shop stewards the union officials said that because assurances had been given that there would be no immediate redundancies or layoffs they would give their full co-operation to the company "in the best interests of our members' long-term prospects."

Mr. William McCaig, Transport and General Workers' Union district secretary, said: "We recognise ICI has a major problem on its hands and is doing its best. For our part we have offered help in every shape and form."

Mr. Colin Steingold, works manager, said: "It will be some time before we know when production can be resumed. We should know what the best alternative cooling method is within a few days."

Mr. Frank Nixon, works engineer, said it was unlikely that the 10,000-ton concrete walls of the tower, the biggest in Scotland when it was completed seven years ago, had collapsed because of movement in old mine workings running under the area. The site had been approved before construction began, he said.

He was not convinced, however, that the gales provided the complete answer to the collapse. A wind gauge mounted on an office block a few hundred yards away and constantly monitored by ICI engineers, showed wind strength no higher than 55 miles an hour.

"We have experienced much higher winds many times since the tower was built," Mr. Nixon added.

Continued from Page 1

Labour party rows

time was taken up with procedural wranglings over how Mr. Wilson's document should be treated.

The contents of the document have therefore received scant attention and are to be considered further by the executive at a meeting on Sunday by which time members of the executive will have tabled amendments to it.

The document envisages full public ownership of three industries—the ports, shipbuilding and aircraft—and the nationalisation of sections of the pharmaceutical, machine tool and road haulage industries.

It goes on with a list which will form part of the election manifesto by covering public ownership of building land, the transfer to social ownership of privately-owned rented accommodation, new public enterprises in the regions and the public ownership of minerals, and of North Sea and Celtic Sea gas and oil.

It also covers renationalisation of hived-off businesses, plus "such additions to the public ownership programme as may emerge from the studies now being made of commanding heights in the financial world," together with other policy proposals already published, including the power to prevent a British undertaking falling under foreign control.

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INDUSTRIALS—Continued

PROPERTY—Continued

TEXTILES—Continued

TRUSTS—Continued

RUBBERS AND SISAL

1973 High	1973 Low	Stock	Price	+ or –	Net Div.	Cvr	Y'ld pe
41	30	Anglo-Ind'n'sn	32	–1	—	—	—
50	29	Bertam Con. 10p	39	+3	12.9	0.9	4.7
84	52	Bradwall 10p	73	......	14.7	0.8	2.9
56	25	Bukit Mert. 10p	45	......	Q10	1.8	2.2
114	78	Castlefield 10p	86	......	Q15	1.5	1.7
85	66	Chersonese 10p	76	......	28	0.7	5.3
$77\frac{1}{2}$	43	Cons. Plants 10p	52xd	–2	15.2	ϕ	4.2
29	20	Dwa. Plant 10p	23	......	ϕB	—	—
$41\frac{1}{2}$	17	Gedek 10p	$41\frac{1}{2}$	......	$8\frac{3}{4}$	0.8	3.0
87	$59\frac{1}{2}$	Goldn Hope 10p	65	......	Q35	1.2	5.4
$7\frac{1}{2}$	$4\frac{1}{4}$	Grand Central 10p	6	......	Q25	—	11.9
445	342	Guthrie Corp £1	385	–1	12.9	1.9	4.8
129	82	Highlands 10p	$103\frac{1}{2}$	$+\frac{1}{2}$	25.7	0.5	3.6
178	85	Kuala Kepong 10p	142	+2	Q25	1.8	1.8
*41	28	Kulim 10p	32	......	11.9	0.8	5.3
$60\frac{1}{2}$	41	Ldn. Asiatic 10p	$41\frac{1}{2}$	–1	h17.5	1.2	6.0
50	$30\frac{1}{2}$	Ldn. S'm'tra 10p	32	$-\frac{1}{2}$	10.3	1.5	4.6
81	36	Malakoff 10p	56	......	$Q12\frac{1}{2}$	1.9	2.2
23	15	Malayalam 10p	16	......	$10\frac{1}{2}$	ϕ	9.7
60	36	Muar River 10p	52	......	11	ϕ	3.1
56	37	Pataling 10p	$41\frac{1}{2}$	......	†h16.3	1.1	5.7
67	44	Plantat'n Hgs. 10p	51	......	Q21	1.4	4.1
$£11\frac{1}{2}$	675	Sungie Krian £1	900	......	Q40	1.1	4.4
*34	$17\frac{1}{2}$	Talpang 10p	23	......	Q68	1.6	2.9
68	$24\frac{1}{2}$	Warren Rub. 10p	63#	......	Q25	0.7	0.8

TEAS

India and Bangladesh

1973 High	1973 Low	Stock	Price	+ or –	Net Div.	Cvr	Y'ld pe
52	44	Assam & Afr. £1	44	......	Q4	1.7	9.1
100	76	Assam Doo'ars £1	76	......	$Q7\frac{1}{2}$	2.3	♠
110	66	Assam Front'r £1	66	......	Q8	U1.0	12.1
108	76	British Indian £1	76	......	Q6	1.5	7.9
190	135	Cessnock £1	170	+20	ϕ	—	—

Sri Lanka

Africa

MINES—CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TINS

COPPER

MISCELLANEOUS

INSURANCE

MACHINE TOOLS

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OILS

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY

High mortgage rates · Productivity techniques

Sir,—In his letter about high mortgage rates, Mr. A. D. Scott (Sept. 22) suggests: (1) lower liquidity ratios by building societies; (2) reduced new advances until the situation improves or there is a restriction on the rates of interest chargeable; (3) administrative economies.

If (1) is adopted, this can only be at the expense of the facilities now available for easy withdrawals. These are one of the attractions of the societies: a reduction in them could mean less funds deposited, less available for borrowers, or higher interest charges.

What happens if the improvement envisaged in (2) does not occur in the near future? Are the next generation to be denied the choice of determining whether they are prepared to buy their own homes or not? A restriction on the rates of interest chargeable, other than a marginal one, would considerably reduce the amount of money lent. Again there would be less for borrowers or higher rates. With the current rate of inflation and a net return even of 7½ per cent., a lender would be fortunate to find in 12 months that his capital and interest together would purchase what his capital alone now will.

The difference between a lending rate of 7½ per cent. net and a borrowing one of 11 per cent. gross, is largely accounted for by tax. It is doubtful if the most stringent economies (3) would affect the rates by ½ per cent., and most of these would be at the expense of customer service, in all probability, again counter-productive.

Mr. Cross says a rate of 11 per cent. is "unacceptable." But has he considered the real cost of such a rate, in the current inflationary circumstances? 3.3 per cent. is reclaimable as a tax rebate (rightly, in my opinion). The net nominal cost of 7.7 per cent. is wiped out by the depreciation in the value of money. This statement will not be popular. That is why no politician dare make it.

Borrowers cannot have it both ways. If a house bought for £10,000 appreciates in value to double that figure, it is either because of inflation or for more orthodox reasons. If it is due to inflation, it is somewhat unreasonable that the borrower should expect to repay the original debt in depreciated £'s without a compensatory increase in the interest rates. The lender is unlikely to remain content with the return of his capital plus interest unless the two together at least maintain the value of his original deposit.

W. F. Richardson.
34, Queen's Drive,
Fulwood, Preston, Lancs.

The cost of houses

Sir,—R. Holden dismisses the suggestion that pre-war a year's salary would buy a new semi-detached house; and counters with his family folk hero who bought a new house off Hendon Way in 1931 for £550 when he was earning £200 per annum—"as a typical young married white-collar worker in a minor position."

At a rough guess the same house at the moment might sell for around £15,000. Accepting his ratios, if he will produce his modern, typical young married white-collar worker in a minor position earning £5,400 per annum, he can win his argument.

The fact is that modern economic conditions have wiped out the chances of owning a house for many thousands of young people who historically could have owned them; modern inflation has destroyed the value of the savings which aspiring house purchasers scraped together and trustingly assembled in building societies and the National Savings movement—a moral which Mr. Holden himself has the gall to point.

If Mr. Holden is lucky enough to enjoy in Blackheath the Western standards of "unexampled comfort, ease, affluence and possibilities," I suggest he starts considering when he can expect the disadvantaged to start knocking on his door for a share. If that thought does not appeal he had better find something more positive than to reproach them for shedding tears of self-pity.

David Green.
Rhyd yr Harding,
Nr. Haverfordwest,
Pembrokeshire.

Dividend limitation

Sir,—Mr. Anstey's letter (September 25) under this heading is most opportune at a time when companies should be going all out for the new markets we have been told exist in Europe. They should be encouraged in that direction and not restrained in their efforts. Encouragement can only stem from fair rewards. At the moment, however, managements of companies have already made excuse for not making the effort required and the important role of shareholders in keeping management on their toes is stultified.

The time has surely come for the Government to give a lead and support the owners of companies, namely the shareholders, who after all make it possible with the millions of risk capital put up by them to undertake ventures whether in the European markets or nearer home, such as North Sea Oil, nuclear power etc. Their contribution must be properly recognised. After all, without such a contribution, all the honeyed words talked and written about the advantages of being in the Common Market will be rendered completely meaningless and the shareholders' employees less able to obtain their fair share of profits through even greater wages, bonuses etc.

E. J. Thomas.
8, Parkthorne Close,
North Harrow, Middlesex.

Discrimination by age

Sir,—While, as a woman, I wholeheartedly welcome the proposals contained in the Government's consultative document on equal opportunities for men and women, I think the Government has ignored one other major area of discrimination that still exists in business to-day. This is the question of age.

There appears to be no restriction on employers stipulating the age of a required applicant and of putting a firm upper limit on it. Look through the small ads and you will see all too many mentions of "young" men wanted and "girls 18-24" required. If the sex of the required applicant was removed, as the Government's proposals suggest, this still leaves an age criteria which prevents many otherwise well suited applicants going for the job.

There are many jobs where an older person may be better suited than a young person with the same qualifications. This is particularly true in routine clerical jobs where a strong streak of ambition may actually detract from the job in hand. After all, only a relatively small percentage of employees work their way up the managerial ladder: the rest stay in much the same job all their lives.

For this reason, I think the traditional personnel manager's rebuff of an older applicant on the grounds that he is too old to go much further in the company is just not valid and steps should be taken to outlaw this invidious form of discrimination.

Gillian Kershaw
30, Wellington Square,
London, S.W.3.

The use of credit cards

Sir,—Would it console Mr. J. H. Wright (Sept. 24), or shame the management of Barclaycard, to learn that he is not alone in having suffered at their hands. My own overpayment was nearly twice his £34, and unlike him I have not even had the offer of a refund. Indeed, a letter requesting one has, after more than a fortnight, not even elicited an acknowledgement.

The payment in question was demanded because I was said to have exceeded my credit limit. My bank statement—subsequently received—shows that my cheque in payment of the previous month's account had apparently been held for at least a week before being paid in. Nevertheless I paid the amount allegedly necessary to bring my balance within my credit limit. And what did they do with that cheque? Sat on it, too, for another week.

The short term remedy would seem to be to use up my unnecessarily created credit balance as quickly as possible. But for the future? Access?

R. F. C. Davis.
White Cottage, One Tree Hill,
Guildford, Surrey.

Medical charities

Sir,—David Fishlock's article on medical charities, in your September 24 issue, highlights, with great clarity, the imbalance that exists between those charities with instant emotional appeal and those, equally worthy, but lacking the same auto-emotive impact among the British public.

Clearly, as long as medical research depends to its present extent on charitable donations, there will continue to be an imbalance between the funds available for (say) suffering spaniels and those devoted to the alleviation of one of the less attractive skin disorders. However, given that the present system of funding must continue, I would suggest that the current degree of imbalance is not universally necessary.

Many charities, comparatively neglected by the British public, serve causes quite as desperate and moving as their better endowed alternatives. It is their failure to awaken the public's awareness of their plight which must be held primarily responsible for the lack of public response.

The problem essentially stems from the fact that most charities have their roots in the tradition of well intentioned but amateur benevolence which cannot be expected to compete with the professional expertise of those charities geared to a professional marketing approach.

Charities *must* communicate, professionally, vigorously, even ruthlessly. If professional promotional techniques are employed only by the minority, it must be expected that that minority will continue to receive a disproportionate degree of the public support.

T Fane-Saunders.
2, John Street,
London W.C.1.

For retired people

Sir,—Help the Aged has just launched YOURS, a national 16-page free monthly newspaper for retired people. The paper is professionally edited and will set out the benefits old people are entitled to—in pensions, supplementary benefit, housing and health. The paper will also carry articles of general interest to an older age group—articles on retirement, travel, hobbies, books, and what interesting things other retired people are doing.

The paper will be delivered free wherever we can get sponsors to cover the cost. It occurs to us that a number of firms may wish to send the paper to their retired staff as a post-employment service.

I hope interested people will write to me at YOURS, c/o Help the Aged, 8 Denman Street, London, W1A 2AP.

GARDINER.
President Help the Aged,
8-10 Denman Street,
London, W.1.

The blame for accidents

Sir,—When your correspondent Mr. A. F. Lilley (Sept. 24) says that those who promote half-baked legislation (such as that which enjoins a 70 mph speed limit equally on sports cars and cumbrous motor coaches) are themselves the positively harmful causes of accidents which need not happen—when your correspondent says this he loudly rings the bell.

The instance I would give would be the compulsion on the riders, regardless of age, of all kinds of two-wheeled mechanised vehicles to wear crash helmets.

FT readers, it is obvious from your correspondence columns, include a great number of seasoned motorists. I doubt if any one of them will deny that at some moment or other in their motoring careers they have been saved from a crash through the sense of hearing. It is equally undeniable that these inverted basins *alias* helmets (they were called simply pots when worn by English 17th century cavalrymen) materially impede the sense of hearing. Hence it is not extravagant to claim that crash helmets cause crashes even though they may alleviate the effects. As for the other aspect of the matter I wrote to the National Council of Civil Liberties some weeks ago asking what their attitude was to this unprecedented erosion of personal liberties and thus far they have not bothered to reply, being presumably too busy upholding the right of shoplifters to remain ungaoled. As Chris Bonington said in a recent broadcast, when an individual no longer has the right to choose his own risks he is precious near descent into clock-work serfdom.

G. Reichardt.
12a Mount Pleasant Road, Poole.

Motorway speed limit

Sir,—Refreshing and pertinent Mr. Lawrence's comments may have been, as were Mr. Lilley's on the subject of speed limits. However, I fear both of them display a frightening naivety in view of the current concept of ministerial responsibility to the electorate, certainly by the ministers taken to task in your columns.

Indeed, one is tempted to ask oneself what possible purpose can be served nowadays by writing to either Times, save that of the pleasure of having one's views published by either of the two most august newspapers of the day. To imagine that the Government will pay the slightest attention to the individual, having thus summarily dismissed the views of no less bodies than the RoSPA, RAC, AA, and IAM verges on the imbecile. But then, of course, I tar myself with my own brush!

C. S. B. Williams.
4 Peel Avenue,
Bowdon, Cheshire.

Productivity techniques

Sir,—With reference to Mr. E. A. King's letter (September 12), the idea that increased productivity results from applying productivity techniques is an over simplified view, since in the past, work study departments have taken too narrow a view from too low a level in the company hierarchy to be effective.

The most common trap is the incentive scheme. This relies on accurate work measurement to improve productivity, with often only a cursory look at methods of production. Under the stimulus of an incentive scheme, any backlog of orders or work is quickly used up. Unless Production Planning and Control has reacted, there is insufficient material to sustain the increased productivity. This usually results in a shortage of material unless materials management has reacted and procured increased material deliveries.

Production Planning and Control is a weakness in many companies, and the problem is worsened by the acute shortage of materials now resulting from the boom trading. For instance, building materials and electronic components are in very short supply. Where this weakness exists, the opportunity for increased productivity is lost.

Strengthening of the organisation for manufacture in terms of materials management, forward planning of capacity as well as material and manpower scheduling is a pre-requisite of any attempt to increase productivity.

Piecemeal attempts to increase productivity in indirect areas can raise companywide questions of salary scales, communications flow, professional boundaries, staff development. While this in itself is not a bad thing, companies should be prepared for large scale change in these areas.

A much wider view is needed in order to gain and hold real increases in productivity in direct or indirect areas. Very often attempts to increase productivity avoid the important issues.

Before tackling any indirect area, a company would be wise to consider the implications regarding White Collar Unions, Old Management Attitudes, Evaluations of Salary Structure and Computerisation.

These types of improvements are best tackled by Industrial Engineering or Management Services Departments incorporating work study and organisation and methods sections—these larger groups ideally being represented on the board of directors of a company.

P. Hughes.
84, Highsett,
Hills Road, Cambridge.

Temporary employees

Sir,—From time to time one reads criticisms levelled at the temporary employee system—particularly over the high cost to employers of this category of staff.

Agencies supplying temporary accounting staffs have not escaped and this may well be partly due to some agencies' practice of not disclosing the basis of their charges to employers preferring to do a confidential "deal" with individual temporaries.

This is certainly not [illegible] way of conducting [illegible] it is a practice that should [illegible] The basis of an agency [illegible] should always be known [illegible] employer—for example, if [illegible] porary is being paid £1 an [illegible] it should be made known [illegible] the charge to the employer [illegible] be £1.25 an hour—or whatever [illegible]

As for the permanent [illegible] tancy recruitment field, [illegible] is another very unsatis[illegible] feature—that is the [illegible] guidance facilities to ensu[re] newly-qualified (or st[illegible]) accountants are helped [illegible] critical stage of their [illegible] It is obvious that the [illegible] accountancy bodies cann[ot pro]vide the degree of p[illegible] assistance which these [illegible] need.

And while this is the [illegible] is inescapable that the sp[illegible] accountancy recruitment [illegible] tant must help bridge th[illegible] Thus, it is vital that su[illegible] sultant facilities are con[illegible] in a proper manner, an[illegible] due regard to both the [illegible] dates and to employers.

Ian R. Law.
29, Ludgate Hill, London,

Degrees at Henley

Sir,—Could I correc[t a] point in John Trafford's "Sandwich Degree at H[illegible]" (September 26). The re[illegible] to graduates includes [illegible] sional qualifications i[illegible] example, banking, ins[illegible] accounting and engineeri[ng] would not wish to close t[illegible] on any talent.

T. Kempner.
Principal,
Administrative Staff Colle[ge],
Henley-on-Thames.

Wishes of th[e] voters

Sir,—I am afraid that [illegible] enlightened corresponden[ts] living in cloud cuckoo [illegible] Hemsworth will always re[illegible] socialist MP in the sam[e] that Worthing will return [illegible] servative one. It is as sim[ple as] that.

If the wishes of the [illegible] counted for anything we [illegible] not be in the Common M[arket] capital punishment woul[illegible] have been abolished, etc etc. ("unpopular" measu[res]).

If the electorate's [illegible] whim was followed p[illegible] bigotry would still prev[ail] why should MPs bother?

J. A. G. Cawdry.
11 Blackley Road,
Elland, Yorks.

TV Radio

85-MILE COUNTRY WALK OPENED

Lord Nugent, chairman of the Thames Conservancy Board, this week-end opened the Ridgeway Path, an 85-mile pathway which runs from Ivinghoe Beacon in the Chilterns to Avebury, Wiltshire.

The route of the path, the oldest in Britain and probably the world, runs through Hertfordshire, Bucks., Oxfordshire, Berkshire and Wiltshire. It passes very close to the Prime Minister's official country residence at Chequers.

Part of the path provides a right of way for horse riders and cyclists, as well as walkers.

† Indicates programme in black and white.

BBC 1

†9.38 a.m. For Schools, Colleges. 12.20 p.m. A Chance to Meet: Jack Ashley, MP Labour Member of Parliament for Stoke-on-Trent. 12.55 News. 1.00 Pebble Mill at One. 1.45 Fingerbobs. 2.02 For Schools, Colleges. 2.50 Times Remembered . . . by children from abroad. 3.00 Scope. 3.30 Reporter at Large. 4.00 Play School. 4.25 Yogi Bear. 4.35 Jackanory. 4.50 Blue Peter. 5.15 Heroes of the Prairie. 5.40 Adventures of Parsley.

5.45 News
†6.00 Nationwide
6.45 Sykes
7.15 Star Trek
8.00 Panorama: Iran: the barrels and the guns
8.50 Natural Break
9.00 Nine o'Clock News
9.25 Casanova '73
9.55 "The Bofors Gun" starring Nicol Williamson
11.40 Late night news

All Regions as BBC-1 except at the following times:—

Wales—1.45-2.00 p.m. Ar Lin Mam. 6.00-6.45 Wales To-day. 6.45-7.15 Heddiw. 7.15-8.00 Wonderful World of Disney. †11.47 News of Wales.

Scotland—6.00-6.45 p.m. Reporting Scotland. 11.40-12.10 a.m. Kings, Lords and Commoners followed by Scottish News Headlines.

Northern Ireland—6.00-6.45 p.m. Scene Around Six. †11.47 Northern Ireland News Headlines.

England—†6.00-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth). †11.47 Regional News Headlines.

BBC 2

9.30 a.m. Labour Party Conference in Blackpool
11.00 Play School
11.25 Labour Party Conference
12.30 p.m. Morning Report. 2.00 Live coverage of afternoon session
†5.25 Open University
†7.05 People Ltd., part 1: Has the boss a future?
7.30 News Summary
7.35 To-day at the Labour Conference
8.00 The High Chaparral
8.50 Call My Bluff
9.25 Horizon
10.10 Then and Now
10.45 News Extra
11.15 Open Door

LONDON

9.30 a.m. Schools Programmes. 10.40 Labour Party Conference. 12.05 p.m. Mr. Trimble. 12.25 Sing to the Animals. 12.40 First Report and Labour Party Conference Special. 1.30 Emmerdale Farm. 2.00 Farmhouse Kitchen. 2.30 Labour Party Conference. †3.00 A Family at War. 3.55 Whose Baby? 4.25 Clapperboard. 4.50 Freewheelers. 5.20 . . . and Mother Makes Three.

5.50 News from ITN
6.00 The Shadoks, followed by To-day
6.40 Opportunity Knocks!
7.30 Coronation Street
8.00 World in Action
8.30 Singalongamax
9.00 Crime of Passion
10.00 News at Ten
10.30 Drive-In
11.00 Planting for Pleasure
11.30 Here We Go Again
12.00 What's the Use?

All ITV Regions as London except at the following times:—

ANGLIA

6.00 p.m. About Anglia. 10.30 Gardening Diary. 11.00 Man In A Suitcase. 11.55 Drive-In. 12.20 a.m. Faith At Work.

ATV MIDLANDS

6.00 p.m. ATV To-day. 10.30 Citizens' Rights. 11.00 Gardening To-day. 11.30 Stories Worth Telling. 11.35 Man In A Suitcase.

BORDER

6.00 p.m. Border News and Lookaround. 6.15 Look Who's Talking. 11.00 Journey to the Unknown. †11.57 Border News Summary.

CHANNEL

12.55 p.m. Channel News Headlines. 2.00 Let's Face It. 6.00 Channel News. 6.10 Survival. 10.30 Life in France. 10.00 The Champions. 11.00 Journey to the Unknown. 12.35 a.m. News and Weather in French followed by Channel Gazette.

GRAMPIAN

12.03 p.m. Mid-day Round-up. 6.00 Grampian News. 6.05 The Royal Clansmen. 11.00 Mathman. 11.25 Longstreet. 12.20 a.m. Meditation.

GRANADA

6.00 p.m. Cartoon Break. 6.05 Granada Reports. 6.25 This is Your Right. 10.30 Crime and Mystery—"The Champagne Murders," starring Anthony Perkins and Maurice Ronet.

HTV

6.01 p.m. Report West. 6.22 Report Wales. 10.30 Police Surgeon. 11.00 Late Night Cinema: "The Sorcerers" starring Boris Karloff.

SCOTTISH

2.00 p.m. Housecall. 4.25 The Adventures of Superman. 6.00 Scotland Today. 6.30 Professor Balthazar. 10.30 The Melody Lingers On, with the Arthur Blake Orchestra. 11.00 Gardening Today. 11.30 Late Call. 11.35 Upper Crusts.

SOUTHERN

6.00 p.m. Day By Day. 10.30 Who Shall Inherit the Earth? 11.00 The Streets of San Francisco. 11.55 Southern News Extra. 12.05 a.m. Farm Progress.

TYNE TEES

9.20 a.m. Day By Day. 4.25 p.m. The Houndcats. 6.00 To-day At Six. 6.35 Cartoon Time. 10.30 In The Picture. 11.00 The Union Man (Vic Feather). 11.45 Late News Extra. 12.00 The Protectors. 12.30 a.m. Lectern.

ULSTER

†1.29 p.m. Ulster News Headlines. †4.23 Ulster News Headlines. 6.00 UTV Reports. 6.15 Me And The Chimp. 10.30 Monday Night with the Rev. David Burke, Hamilton Road Presbyterian Church, Bangor. †10.40 Monday Movie: "Reach For Glory," starring Harry Andrews, Kay Walsh and Michael Anderson.

WESTWARD

12.23 p.m. Gus Honeybun's Birthdays. 12.30 Westward News Headlines. 2.00 Let's Face It. 6.00 Westward Diary. 6.20 Sports Desk. 6.35 A Date With Danton. 10.32 Westward Late News. 11.20 The Summer of '73. 11.40 Journey to the Unknown. 12.30 a.m. Faith For Life.

YORKSHIRE

6.00 p.m. Calendar. 10.30 Emmerdale Farm. 11.25 The Streets of San Francisco. 12.20 a.m. Untamed World.

RADIO 1 247m

(S) Stereophonic broadcast

[illegible] 8.15 Humphrey Lyttelton with The Best of Jazz on records. 9.02 The Big Band Sound (S). 10.02 Late Night Extra 1,500m (202m in Scotland) including [illegible]

RADIO 2 1,500m and VHF

[illegible]

RADIO 3 464m, Stereo & VHF

[illegible]

RADIO 4 434m, 330m, 285m and VHF

[illegible] 6.50 (medium wave only) Travel News. What's On and Keep Fit. 6.55 Weather, programme news. 7.00 News and more of To-day: 7.25 Sports Desk. 7.35 To-day's Papers. [illegible]

F.T. CROSSWORD PUZZLE No. 2,288

ACROSS

1 Only a fool in America needs a muscle developer (4-4)
5 Southern Prime Minister puts case for having a sword (6)
9 Time when wooden shoes were worn to destruction (8)
10 Lets on it may be pinched (6)
11 Relative with thousands of dollars staked (8)
12 Player upset by conference (6)
14 Untaught and unfit to repeat (10)
18 What organised labour did to bring English and Scots together (3, 2, 5)
22 Marsh and Scot find an Irish revolutionary (6)
23 Without missing out anything eventually (2, 6)
24 Food for Six as well as the South (6)
25 Inflamed by one football crowd to take action (8)
26 On horseback in county district (6)
27 Referred notice to editor (8)

DOWN

1 Mean to sketch (6)
2 Headgear to make crowd go one better (6)
3 Happen to be on time (6)
4 Rough Pole beating the drum when engaged in mutual flattery (3, 7)
6 Best-selling confectionery (3, 5)
7 Everybody certain about safety signal (3-5)
8 Sweetheart returned married with tobacco (8)
13 Junior gets a place during interval in music (5, 5)
15 Complaint about a Coward play (3, 5)
16 Light supporter of average quality (8)
17 Occasionally from both sides of the wicket (3, 3, 2)
19 Fret about wood (6)
20 Horrified when a good beginner has tea (6)
21 Screen trophy (6)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

No firm plan yet for new port in Wales

THE British Transport Docks Board said yesterday that any development of a new port in South Wales "would only be possible if a substantive demand for such facilities were firmly established."

The Board refers to feasibility studies carried out into the possibility of a new port development near Newport, and expresses concern about newspaper reports suggesting that the Board is actively considering such a project at present. This is not so, it says.

"As the Welsh Council make clear in its report, it is the Board's view that the whole subject of port development in South Wales involves a wide range of complex factors extending far beyond port facilities," the statement added.

Betting duties raise more

TOTAL BETTING and gaming duties in August amounted to £15m., a rise of £1m. on the previous month, according to provisional Customs and Excise figures published yesterday.

The rise is entirely accounted for by a £1.17m. increase in pool betting duty to £5.14m.

The recent steady rise achieved by off-course bookmakers was halted, with a £400,000 drop in duty to £8.2m. Duty paid by on-course operators fell £33,000 to £571,000.

Total duty paid was about £800,000 more than in the corresponding month last year, and pool betting duty was slightly less than the 1972 figure. Off-course duty in August 1972, was £7.3m.

How to sue in county court

THE CONSUMERS' Association to-day publishes a 250-page book advising people how they can conduct their own cases in a county Court.

The 250-page book follows in detail the imaginary case of a housewife who sues a shopkeeper who sold her a faulty washing machine. Publication coincides with the introduction of a new county court arbitration service—the latest in a series of reforms making procedure simpler.

The book claims that solicitors "do not face ruin with the publication of this book." On the contrary, it says they would probably welcome it

How to Sue in the County Court published by the Consumers' Association, £1, or from booksellers at £1.25.

Racing

Pre-sales bargains

by DARE WIGAN

ALTHOUGH THE interest of the bloodstock world this week will be focused on the racing and yearling sales at Newmarket, there are meetings on the Flat to-day and to-morrow at Nottingham, and National Hunt fixtures at Carlisle, Folkestone and Fontwell. At Nottingham this afternoon, Capt. Ryan Price runs *Seven the Quadrant* as part of his preparation for the S.K.F. Cesarewitch.

Seven the Quadrant, a half-brother, by Javelot, to Roan Rocket, who, on his last appearance, finished second to Sunyboy over one and three-quarter miles at Goodwood at a difference of only 4 lbs (since when Sunyboy has won the Joe Coral Autumn Cup Handicap at Newbury and been runner-up in the St. Leger) ought to be able to concede [illegible] to the Yarmouth winner Unique.

In the absence of [illegible] Rigg..., *Wind River* appe[ars] the likely winner of [the Sep]tember Stakes (3.0). Th[illegible] by Reform, won two rac[es last] year and shaped well [illegible] fourth behind Major Bee, Bergère and Midhurst at t[he] Newbury meeting, and w[ith] Matthias claiming the 5 lb [allow]ance, looks well-in with 8 [illegible]

In the Poston Nursery [Handi]cap (3.30) I like the lo[illegible] *Tamilian*. After scoring [over] to-day's distance at Brigh[ton in] August, she was not dis[illegible] when carrying a 10 lb pen[alty into] second place behind Love [illegible] at Warwick for she failed [to get] a clear run. Love Mate[illegible] since won at Bath.

Ascot Heath, a disappo[inting] favourite when beaten by [illegible] Fire at Bath last Monday [illegible] make amends in Division [I of] the Staunton Maiden Plate and Division II (5.0) may [go to] *Inside Job*, a filly by B[illegible] who was gambled on to[illegible] Eveneca at the New[market] Guineas meeting.

Earlier in the afte[rnoon] *Princess Log*, who was [dis]qualified after passing th[e post] first at Goodwood a for[tnight] ago, looks best in the Fis[illegible] Maiden Fillies Plate [illegible] *Greek Bazaar* looks best [in a] moderate collection in [the] Alveston Selling Handicap

NOTTINGHAM
1.30—Princess Log
2.00—Greek Bazaar
2.30—Seven the Quadrant**
3.00—Wind River***
3.30—Tamilian*
4.00—Ascot Heath
4.30—Loch Nell
5.00—Inside Job

CARLISLE
3.00—Mixed Double

FOLKESTONE
3.45—Polish Hard
4.15—Angel Aboard

INTERIM STATEMENT

John C. Small & Tidmas Limited

INTERIM STATEMENT
for the half year ended 30th June 1973

The Directors report an increase in profit compared with th[e] first half of 1972, with a corresponding increase in th[e] interim dividend.

The Unaudited Results, with comparative figures for th[e] previous periods are:—

1972 6 months to 30th June	1972 12 months to 31st December		1973 6 months [to] 30th June
£63,700	£181,500	Profit before Taxation	£73,000
£25,000	£ 70,500	Less: Taxation	£32,000
£38,700	£111,000	Profit after Taxation	£41,000

Interim Dividend The Directors have declared an Interi[m] Dividend of 8.4% (2.1p per share), equivalent to an impute[d] dividend of 12% (1972 10.5%), which will be paid o[n] 1st January 1974 to Shareholders on the register o[n] 12th November 1973. This dividend will absorb £12,600.

Future Prospects The forward order position continue[s] good and the Directors anticipate a satisfactory year despit[e] the present frustrations.